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Waqf Conceptual Model: A Practical Implementation for a Private Specialist Hospital

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ABSTRACT

The aim of this paper is to propose a viable conceptual structure for waqf model in a private specialist hospital setting which has yet to be implemented through cooperation between Waqf Corporation of the State Islamic Religious Council (MAIN) and An-Nur Specialist Hospital (ANSH). There is certainly an urgent need to harness this collaboration since the society is afflicted by all sorts of economic and social insecurity and also due to the relatively high rising healthcare expenses incurred especially in private specialist hospital. This preliminary study is based on academic literature and also institutional data documentation methods. Ever since ANSH moved to its new premise at Section 15, Bandar Baru Bangi from June 2019, the empirical data of its expenses and billing can currently be formed as a basis for this study. This collaboration between a MAIN institution and ANSH opens up a new dimension in the waqf structure in Malaysia, especially the model for a private specialist hospital. The findings are expected to further boost the involvement of MAIN with other private specialist hospitals in waqf activities. The outcome of the study can assist in improving the socio economy of Muslims and non-Muslims especially in the aspects of healthcare.



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Introduction

In the glorious era of the Ottoman Empire, waqf institutions had a tremendous role in funding the construction of public facilities for the benefit of the community. Various public facilities such as roads, bridges, schools and hospitals were funded by waqf funds without involving allocation from the government. The funds also provide employment opportunities to young people and help improve socio-economic of Muslims. The fall of the Ottoman Turkish government had weakened waqf institutions to continue to act as agents of national development. However, over the past three decades until now has witnessed Muslims in several countries such as Turkey, Pakistan, Kuwait and Malaysia strive to restore the great role played by the waqf institutions. The government and also the private bodies in the countries concerned have been directly involved in managing and administering existing waqf assets and developing new waqf programs.

The concept of cash waqf is the current phenomenon which is becoming increasingly popular since it forms the easiest medium for Muslims to perform waqf activities. This current cash waqf method is another way for Muslim to contribute besides other waqf means involving land and buildings . The current state of waqf activities has made it more easier for corporate entities to be involved in aspects of management and development of waqf properties. There is a trend for corporate companies to be involved in asset management and development of waqf as part of the companies' corporate social responsibility, CSR. This is also known as corporate waqf which indirectly signifies commendable ethical way of how corporate world is perceived as not just focused on activities of sheer profit but also contribute back to the community activities. Most companies which engaged in the waqf programs are involved in education, health and property management. These activities enhanced further the corporate entity in discharging their CSR.

The incorporation of corporate elements in the management and administration of assets in its governance, accountability and transparency are very important aspects to be given strong attention by these waqf institutions especially to establish public confidence to contribute to waqf institutions.

It is more pertinent when handling cash waqf which requires deep experience and expertise to ensure the efficient and sustainability of such programs . As for this study, it will be focussing on the conceptual model of how ANSH can provide waqf activities in collaboration with the role played by MAIN which is responsible in establishing and incorporate the waqf Institutions. For the moment it is limited to ANSH since the empirical data is based on ANSH.

This collaboration between MAIN and ANSH may foster public confidence in contributing the positive aspects of the corporate world in waqf management which in turn will add communities' confidence in waqf institutions besides indirectly increasing waqf funds for the benefits of the ummah.

Problem Statement

Healthcare expenses have seen an annual increase of about 15% . The increase has created a gap for more ways of providing alternative in subsidizing these expenses. Whilst the public hospital received tremendous pressure to clear backlog list of patients waiting for their turns, the private sectors are still free to render services to patients. However due to the high expenses, not many can afford to pay the private hospital fees unless they have insurance or takaful coverage or their companies underwrite their fees.

The initiative undertaken by ANSH and collaboration with waqf institution is a step towards pioneering cooperation between private healthcare providers and Islamic financial institutions that will eventually help to subsidise partially the healthcare expenses. This will allow many patients to be able to afford a private hospital treatment which in normal circumstances not affordable to them.

Objectives

Among the primary objectives of this study are: 1. To analyse the governance structure of the conceptual model. 2. To propose the subsidies model between waqf institution and healthcare provider. 3. To propose the appropriate percentage of benefits gained from the fees of the corpus for the participating agencies.

Scope and Limitation

The study is confined on ANSH data since the modelling is based on data collected after more than two years of operation. The modeling works well based on the empirical data collected over more

than two years as a tertiary specialist hospital. The data collected on the invoices of suppliers, the percentage of cash patients versus panel patients and also data includes the cost of maintenance of the medical equipment and the rental of the building. These empirical works had been done by institutional data documentation method within the ANSH itself and thus, it is very meaningful as one of the authors of this article is the CEO of the institution. The data was collected from Chief Financial Officer of ANSH in early 2021.

Literature Review

There is still minimum literature on waqf for healthcare services especially private specialist hospital. A study earlier by Norizah (2015), on Waqf An Nur Hospital initiated by KPJ Corp has gone through a major success with the formation of Waqf AnNur Corporation Berhad, WANCORP. However WANCORP has diversified more than just healthcare into other sectors example charitable programs for mosque, education and other flood relief programs. Hence it is no more limited to just healthcare.

This section will discuss the literature highlights related to waqf from Islamic law perspective and the current development of the Malaysian waqf institutions as well as developments of corporate waqf practically.

Waqf Concept

From the view point of language, waqf is viewed as means to withhold or refrain. Waqf definition according to Islamic law is a form of giving a gift where the physical of the asset remains while the benefits derived from the asset are channeled to the recipient subject to the conditions set by the waqf. Physical retention of waqf assets means that any property that has been endowed will not be sold, inherited, gifted, or any other way for ownership. The distribution of the benefits of waqf properties refers to the provision of revenue generated from the assets involved to the recipient as determined by the waqf without expecting financial remuneration. Thus, technically waqf can be interpreted as a form of surrender the property that may be used for a particular purpose with the condition of the asset must be permanent and non-transferable as well as benefits or revenue obtained from the assets involved are channeled to charitable activities in obtaining the pleasure of Allah.

Waqf is usually associated with immovable properties like land and buildings since it provides perpetuity and applies to non-perishable types of properties whose benefits may be taken without the property being consumed. Books, agricultural machinery, cattle, shares, stocks, and cash money, on the other hand, are all waqf. Although the concept of waqf is as ancient as mankind, Muslim jurists say that the first Waqf ever existed at the sacred edifice of Ka'abah in Makkah, which is referenced in the Quran as the first place of worship for Allah.

“Lo! The first Sanctuary appointed for mankind was that at Baitullah, a blessed place, a guidance to the peoples”. (Surah Al-Imran Ayat 96)

There are three types of waqfs, according to Habibollah (2010) : Waqf for mosques and religious schools is referred to as religious waqf. 2. Humanitarian waqf: profits are distributed to serve society and encourage social activities under humanitarian waqf. The library, educational facilities, and hospital, for example, are all examples. Waqf from the parents to their children and heirs is referred to as family waqf. Alias (2012) also added a sort of waqf known as cash waqf, which is described as a waqf established by a founder with the goal of having the corpus or principle maintained by a trustee in order to create an income that may be used for the creator's specified charitable objectives.

Waqf Institutions in Malaysia

As stated in Item 1 of the Ninth Schedule, List 2, State List of the Federal Constitution of Malaysia, all matters pertaining to waqf property are administered under the jurisdiction of the State Islamic Religious Council (MAIN). MAIN, as the sole trustee of waqf assets, has the ability to select any individual or organisation as its representative for the purposes of administering waqf assets and developing waqf assets to generate rental and dividend income. Melaka, Negeri Sembilan, Selangor, Perak, Terengganu, and Sabah have specific waqf enactments: Wakaf (State of Malacca) Enactment 2005, Wakaf (State of Negeri Sembilan) Enactment 2005, Wakaf (State of Selangor) Enactment 2015, Wakaf (Perak) Enactment 2015, Wakaf (Terengganu) Enactment 2016 and Wakaf (State of Sabah) Enactment 2018. These laws outline the legal features of waqf as well as the rights and responsibilities that the State Islamic Religious Council have when it comes to managing waqf assets.

In recent years, there has been a lot of positive change in Malaysia's waqf administration and development. The federal government has led the way in establishing institutions at the federal level and allocating funds to develop abandoned properties around the country in order to enhance and streamline the waqf administration apparatus. The modern notion of cash waqf, which is widely popular and adopted in various countries, has prompted parties authorised by waqf to develop cash waqf programmes that allow people and waqf organisations to contribute at a very low cost. Involvement of business companies in waqf matters, often known as corporate waqf, is a new step to increase public's interest in philanthropic operations like waqf.

Due to the increase interest in waqf activities, issues of governance, integrity and practices relating to waqf property need to be analysed. The paper by Masruki & Shafii (2013) concludes that accounting could improve the best practice in waqf institutions. It is an ideal mean to discharge the accountability of trustee (mutawalli). However, the absence of accounting standards for waqf is the main reason for dissimilarities of waqf accounting practice. An Islamic dual accountability is the most suitable element to elaborate the concept of Islamic accountability in waqf institutions. For that reason, the mutawalli should discharge accountability to various stakeholders like giver (waqif), waqf board and beneficiaries. This will create greater confidence for waqif to be more benevolent to contribute to waqf institution.

Healthcare Services in Malaysia

Government public hospitals, privately owned hospitals, and non-profit private hospitals are the three categories of ownership that characterise hospitals in Malaysia. Government-funded public hospitals and charitable non-profit private hospitals have both existed for many years. Many private hospitals have sprung up in most emerging nations as a result of the advent of privatisation in healthcare services. Governments have built and funded public hospitals to provide virtually all types of treatment for free or at subsidised rates, in keeping with the concept and spirit of public facilities development. Since most of these private hospitals have increasingly started to operate for higher profits, the philanthropic segment of private hospitals has been small in monetary terms. This is due to the fierce competition in the healthcare business. Attractive remuneration packages are offered to the healthcare staff in order to retain doctors, nurses, and technologists.

The health system in Malaysia is facing increasingly challenging issues which can affect its performance and sustainability. Private sector services also serve as a challenge to the public sector because of its capabilities attracting professionals to leave the public sector. This has caused a shortage of professional manpower and increasing workload amongst healthcare practitioners as well as congestion due to high number of patients in the public health sector.

Health-care costs have risen dramatically over the years. Increased services due to changes in disease patterns, demographic patterns of the population, and increased health awareness among the population are among the contributing factors to this cost increase. Patients had to pay a high price for limited health services if there was no solution to the rising health-care costs. Waqf is a method of alleviating societal burdens by establishing a health-care system based on people's contributions. Waqf is a special type of charity according to Islamic teachings because it is a form of worship that includes spiritual elements. Waqf instruments play a significant role in the community's provision of services such as education, health, municipalities, and charitable programmes from a socioeconomic perspective.

There appears to be a general lack of urgency among healthcare workers to complete their clinical procedures, while bureaucracy appears to be causing bottlenecks in public hospital administration. Patients had to wait weeks or months for an appointment with a specialist, and surgery cancellations were common. While private-sector services and care are excellent, the same cannot be said for public-sector hospitals. Because most hospitals are overcrowded, finding a bed in one of them can be difficult. Healthcare providers in public hospitals are not held to a high standard of accountability, and the majority of services are provided by junior doctors or doctors in training. Patients are frequently at the mercy of healthcare providers, and the majority of Malaysians prefer to receive their treatment in a private practise. Unfortunately, paying out of pocket for private healthcare in Malaysia is prohibitively expensive for locals. Because all private healthcare is for profit, medical services and surgeries are extremely expensive. As a result, access to private healthcare is limited to the wealthy or those with private health insurance.

Takaful And Insurance Policy for Healthcare

Malaysia's health-care financing system is a mix of public and private. Private health insurance is optional in the private sector, with variable premiums based on the individual's health status, type of insurance, and level of coverage. Employers in the private sector can choose to provide welfare and health benefits to their employees, and they usually negotiate packages with Managed Care Organizations (MCOs) and private insurance companies to provide medical insurance coverage. The Ministry of Finance allocates annual health budgets to the Ministry of Health, which fund public health care services through general taxation. The National Budget allocates a percentage of general revenue to Ministry of Health functions each year. Additionally, the formally employed workforce contributes monthly to an Employee Provident Fund (EPF), a mandatory savings scheme that provides a measure of retirement security and disburses supplementary benefits to members for medical expenses as well as capital purchases such as the family home.

All private sector formal workers earning less than RM 3,000 per month are required to pay a minimum contribution to the Social Security Organization (SOCSO), a scheme that provides medical benefits for members injured at work. SOCSO and EPF payments, on the other hand, do not account for a significant portion of healthcare spending due to the small contribution and coverage provided.

Employees and their families in the public sector have free access to public medical services, and some have private insurance or medical care benefits. A Muslim believes that any disaster that befalls him, his family, or society is fated and is referred to as qada' and qadar from Allah, according to Islamic perspectives on insurers who purchase insurance/takaful policies (The Almighty). The Prophet (Pbuh) always emphasised the importance of remaining patient in the face of adversity and remaining resilient, both spiritually and physically, through faith. Muslims, on the other hand, have always been taught to avoid or minimise the likelihood of such events if at all possible, as well as to be financially prepared. As the well-known hadith points out,

“The Prophet (pbuh) told a Bedouine Arab who left his camel untied to the will of Allah: Tie the camel and then leave it to Allah’s will” (As reported by both Al-Tarmidzi and Ibn Majah)

As a result, insurance, also known as takaful, is a noble activity in which members of society pool their resources to compensate one another after a loss. This, in turn, provides financial assistance in the event of an unforeseen future loss, thereby contributing to poverty reduction, mutual cooperation, and the spread of the brotherhood spirit. Modern economies rely heavily on the uniqueness of insurance/takaful products. The cost of medical care is covered by medical or health insurance/takaful.

Waqf Hospitals in the Glorious Days of Islam

During the glorious days of Islam, there were many hospitals supported by waqf. Ibn Tulun Hospital, located near the mosque in Cairo, Egypt, is one of them. Furthermore, Badr Ghulam Hospital in Baghdad, Baghkami Hospital in Turkey, Ikshidid Hospital in Egypt, a hospital built by Muizzuddawala ibn Buwayh in Baghdad, Marakish Hospital in North Africa, Adudi Hospital in Baghdad, Nuri Hospital founded by Raja Nur al-Din Zanj, and Mansuri Hospital founded by al-Mansur ibn Qulawun in Cairo are among the first hospitals built (1276 AD). In the golden age of Islam, hospitals had their own waqf properties to support the doctors on duty. This section of the waqf is overseen by a nazir, who is typically worn by heads of state or caliphs.

The Concept of Corporate Waqf for Private Hospital

Waqf assets in the form of movable property, such as cash, company shares, and dividends, are managed entirely by corporate entities or in collaboration between corporate companies and waqf authorities under the corporate waqf umbrella. Waqf assets are one of the most important aspects of the corporate waqf structure, while waqf trustees, or corporate companies, are both mutawallis and waqf property recipients.

The Johor Corporation (JCorp) was the first to use the term corporate waqf when it established one in 2006 by endowing RM200 million in shares in its subsidiaries Kulim (M) Berhad, KPJ Healthcare Berhad, and Johor Land Berhad. Waqaf An-Nur Corporation (WANCorp), a JCorp subsidiary, has been entrusted with managing corporate waqf that focuses on health through the Waqaf An-Nur Clinic network and Waqaf An-Nur Hospital. Patients seeking treatment at the clinic and hospital are charged a minimum of five ringgit, with Muslims and others among the patients. Waqf property management has been undertaken by corporate companies in a number of countries, particularly in the education and health sectors.

In September 2012, Bank Muamalat Malaysia Berhad (BMMB) collaborated with Perbadanan Wakaf Selangor (PWS) to launch Waqf Selangor Muamalat, the first cash waqf scheme in Malaysia. BMMB and PWS are now joint managers of waqf assets acquired through the purchase of cash waqf certificates at any BMMB branch. Waqf contributions can also be made via internet banking, monthly deductions, or periodic payment instructions.

It's also worth noting that corporate involvement in management and waqf administration can help improve society's perception of waqf institutions. Within the management of waqf assets, the image has been deemed to have ineffective governance. The sole trustee of waqf property in the states, the State Islamic Religious Council (MAIN), was found to be lacking in trained and experienced staff to manage large amounts of waqf assets

Waqaf An-Nur Corporation Berhad, WANCORP

In 2006, Johor Corporation Berhad (JCorp) introduced the concept of "Corporate Waqf," involving the transfer of 12.35 million unit shares in JCorp Kulim (M) Bhd, 18.60 million unit shares in KPJ

Healthcare Bhd, and 4.32 million unit shares in Johor Land Bhd to Waqaf An-Nur Corporation Bhd as trustee. This concept is a key institutional strategy for achieving the company's "Business Jihad" corporate mission. As evidence, JCorp pledged to devote 25% of its annual dividend payout from shares transferred into waqf as part of its corporate waqf agenda, which was announced in 2007. As a result, the dividend can be used to organise various activities for Muslims and non-Muslims, as well as charitable and religious activities that benefit and meet the needs of the entire society.

Waqaf An-Nur Hospital was established as the first waqf hospital in Johor, with the goal of completing health development efforts. Johor Corporation Berhad (JCorp) through KPJ Healthcare Berhad, in collaboration with the Johor Islamic Religious Council, established Waqaf An-Nur Hospital as a charitable and non-profit hospital (MAIJ). Waqaf An-Nur Hospital focuses on providing health care to underserved members of the community. In 1999, a firm called JCorp created a waqf clinic in Pasir Gudang, which preceded the development of the Waqaf An-Nur Hospital. Because of the increased demand from the people of Pasir Gudang, the clinic was elevated to a hospital in 2006, and it later became the country's first waqf hospital. His Majesty Sultan Iskandar ibn al-Marhum Sultan Ismail laid the foundation stone for the hospital on April 21, 2006. From year to year, the total number of patients treated in hospitals by this waqf has risen. In 2012, a total of 43,624 patients were treated at HWAN, compared to 35,665 patients in 2008. The RM 225,050 spent on healthcare services was reported in the WANCORP Annual Report 2020.

The objective of Waqaf An-Nur Hospital is to give and provide medical facilities to the community especially the low-income regardless of race and religion. Ideas for establishing WANH was born out of efforts to expand healthcare services and treatment project by JCorp. The mission of this waqf hospital is to provide medical care to all patient regardless race and religion at a minimal rate especially to the class underprivileged society. Meanwhile, the vision of this hospital is to ensure the community especially the income group low around Pasir Gudang can enjoy medical services which is perfectly on par with other government or private clinics.

An-Nur Specialist Hospital

An-Nur Specialist Hospital (ANSH) was established in September 2005, originally as an outpatient department, and subsequently as a secondary hospital in February 2006, offering health care services to the Bandar Baru Bangi population. The institution was first housed in a shoplot building in Medan Pusat Bandar 1, Section 9. There were 30 beds at the hospital. On June 10, 2019, the hospital moved to a newly constructed building in Section 15 with 104 beds. The hospital serves the fast-growing city of Bandar Baru Bangi as well as nearby areas such as Putrajaya, Nilai, Serdang, Kajang, Bandar Bukit Mahkota, Bandar Seri Putra, and South Ville with affordable, high-quality healthcare.

In May 2015, ANSH became the first private hospital to receive MS1900:2014, with the accolade naming ANSH as the first private Shari'ah-compliant Hospital, SCH. Islamic terms such as Shariah Advisory Council, Shariah Compliance, Fiqh, Shariah Compliance Unit, Halal, Quran, Hadith, Sunnah, al-Ijma, and Fatwa are written in standard in MS 1900. This Shari'ah-compliant certification will have an impact on the health management system and the overall operation of hospital services in the hospital setting. As a result, incorporating Islamic values into the service process necessitates an all-encompassing approach.

Since its move to the new premise ANSH has started its charitable program known as Dana Rahmah. It provides subsidized fees for unaffordable patients to enjoy private hospital healthcare services at much lower bill charges. Since January 2021 till to August 2021, Dana Rahmah has

spent more than RM 107,224.04 to about 23 patients. The fund has been contributed by Consultants and also staff of ANSH. ANSH has applied to transfer into a registered non-profit organization, Company Limited By Guarantee, CLBG named Medik Nur Rahmah Berhad, MNRB so as to spread the fund to other public for contribution. This move is towards forming collaboration with MAIN to authorize MNRB as waqf mutawalli (waqf manager) and also recipient of waqf for healthcare patients.

Analysis of the Proposal

This concept will be the second corporate waqf in Malaysia for healthcare services which involves cooperation between a state government-owned waqf institution (MAIN) and a private specialist hospital, An-Nur Specialist Hospital, Bandar Baru Bangi (ANSH). The cooperation established between the two institutions involved indeed with different backgrounds in developing waqf assets through corporate waqf strategies is very interesting to study. Further discussion will revolve around the analysis of the Proposal which consists of three main aspects namely governance structure, financial structure, implication and funds allocation to various agencies from the benefits of the corpus. The proposal will allow ANSH to receive any waqf items either cash or material from any donors who wish to contribute to the nominated waqf agency which according to the state enactment not possible unless MAIN has permitted.

Collaboration Structure between Various Agencies

State Islamic Religious Affairs (MAIN) and ANSH will have a collaboration agreement to facilitate the operation of the waqf program. In the initial stage a joint committee will be set up to manage operation of waqf through the establishment of Company Limited By Guarantee, CLBG or direct management by the MAIN agency.



Figure 1 Indicates the various agencies in the collaboration framework

Figure 1 shows the various agencies proposed that involved in the collaboration framework. The various agencies' functions are explained in the next paragraph to clarify each scope of work. The scope of work of each agency has to be fully understood to ensure a proper accountability in order to gain public confidence.

Waqf Corporation, WC

Waqf Corporation is responsible to manage the fund collected from the public through various channels available ie Banks or Waqf office set up by States Religious Council. The main function will be to ensure efficient disbursement of the fund collected from public. Since its function covers other sectors example education and place of worship surau or mosques. The maintenance of the

healthcare facilities is very much more efficient to be taken care by another focused entity through setting up a Company Limited By Guarantee, CLBG.

Establishment of CLBG

WC is responsible for channeling all related waqf funds for healthcare collected from public and also through the model arrangement with the healthcare provider. This is to carry out the waqf projects, helping waqf beneficiaries especially in healthcare, and investing part of the waqf proceeds for future usage. The main function of CLBG is the management of fund in term of disbursement to eligible beneficiaries. CLBG will also carry out the maintenance of building and medical equipment of the hospital owned by WC. Through proper maintenance of the building and equipment, the healthcare provider is able to provide efficient and high productivity services to the patients. Medik Nur Rahmah Berhad has been established to undertake the role of the CLBG.

Financial and Operational Structure

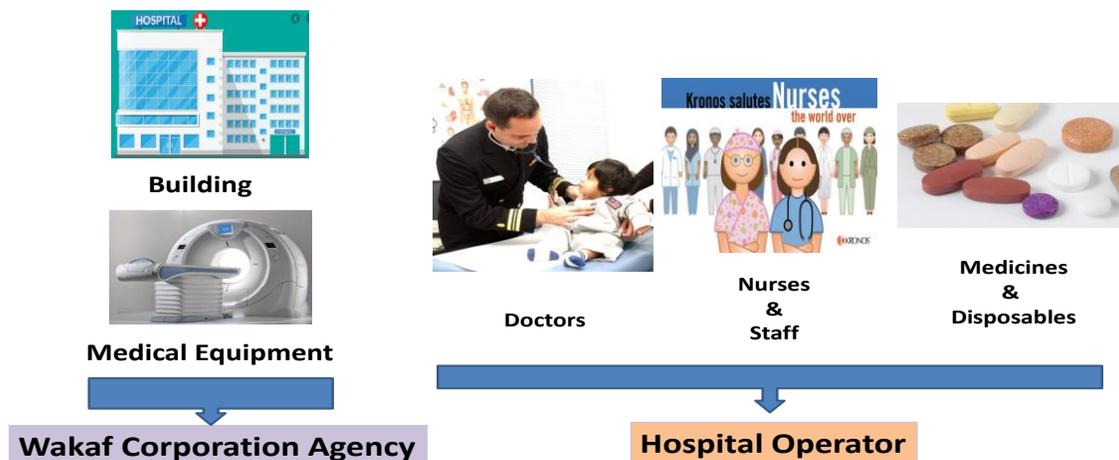


Figure 2 Show the Scopes of Work Between Wakaf Agency and Hospital Operator

From Figure 2 explains the financial structure and operations of WC and the hospital operator based on the Scope of works.

Waqf Corporation, WC

Waqf funds are obtained through the contributions of individuals as well as institutions that can deposit cash as waqf asset. The minimum contribution for individuals is as low as RM10 while for institutions is as low as RM100 and no limit is set. In term of fund management, WC will have a target to raise RM50 million within two years as an example.

The initiative will start with waqf contribution from WC and the waqf fund collected will be channeled to CLBG. The funds are used to purchase medical assets example medical equipments for the hospital. The waqf assets will be considered in the patients bill for patients to enjoy the discounts related to those assets.

Hospital Operator

The hospital operator will run as a normal private hospital except the cash patients will enjoy direct discount of the fees charges. For normal panel or insured /takaful patient, the fees will be as normal but the saving obtained because of the waqf portion will be contributed back to CLBG.

ITEMS	FEEES WI/OUT WAKAF (RM)	ITEMS	FEEES WITH WAKAF ITEMS (RM)
CONSULTANT FEE	1,960	CONSULTANT FEE	1,960
DEVICE : LENS	600	DEVICE : LENS	600
HOSPITAL EQUIPMENT EXPENSE	755	WAKAF AIN ; EQUIPMENT	0
OPERATING THEATRE USAGE	500	WAKAF AIN: BUILDING	0
NURSING PROCEDURE FEES	1,184	NURSING PROCEDURE FEES	1,184
	4,999		3,744
ITEMS	FEEES WI/OUT WAKAF ((RM)	ITEMS	FEEES WITH WAKAF (RM)
CONSULTANT FEES	4,980	CONSULTANT FEES	4,980
ICU WARD	2,345	WAKAF AIN : BUILDING	0
LAB TEST	2,186	LAB TEST	2,186
HOSPITAL EQUIPMT	900	WAKAF AIN: EQUIPMT	0
CATH LAB	2,000	WAKAF AIN :EQUIPMNT	0
MEDICAL DEVICE	10,000	MEDICAL DEVICE	10,000
MEDICATION AND DISPOSABLE	3,134	MEDICATION AND DISPOSABLE	3,134
NURSING PROCEDURE	3,095	NURSING PROCEDURE	3,095
RADIOLOGY SERVICES	3,669	RADIOLOGY SERVICES	1,669
	32,309		25,064
A saving of RM 1.255 to Patient or 25 %	A Saving of RM 7,245 or 22%		

From the empirical data collected for two years the 60 % of the patients are panel whilst 40% are cash patients. From the Table 1 and Table 2, it can be clearly seen that on average from the two sample bills, there is a discount of about 23% when waqf facilities were disbursed. There can be two options based on 1. Building and Medical Equipment Capital Cost 2. Bed Occupancy rate and equipment cost.

In this sample bill for Cataract procedure, the normal bill is RM 4,999 whilst the discounted rate with the waqf facilities will only cost RM 3,744 with a discount of 25%. In the Table 2, the discount is about 22%. Hence this rate can be used as a guide for the discount rate.



Figure 3 :Financial Model : Wakaf Ain and Hospital Revenue
(Source: Courtesy of An-Nur Specialist Hospital)

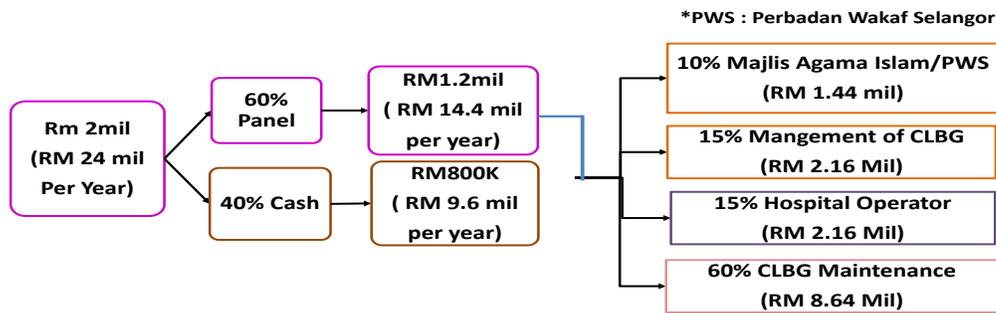


Figure 4 :Monthly Return from Panel Discount for Option 1: Building & Equipment and Distribution of Fund to Various Agencies
(Source: Courtesy of An-Nur Specialist Hospital)

The system offered two Options. Option 1 is based on revenue per month with a discount of 20% when the building, equipment and hospital infrastructure cost contributed by waqf. Option 1 is a fully funded hospital where all the assets are waqf based. Hence 20% discount is based on the revenue generated from the bills. In this case, patients who pay through cash basis will enjoy the 20% discount whilst for panel patients, there will be no discount to the payer. However, the discounted amounts contributed due to waqf assets, supposedly awarded to payer will be transferred to the CLBG. A total of RM 14.4 million will be collected and then it will be distributed to various parties as shown in Figure 4.

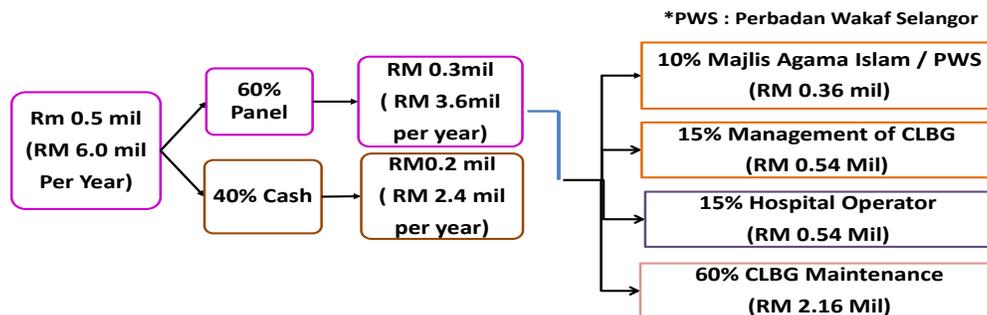


Figure 5 :Monthly Return from Panel Discount for Option 2: Bed & Medical Equipment and Distribution of Fund to Various Agencies
(Source: Courtesy of An-Nur Specialist Hospital)

In the case Option 2, it is based on bed and medical equipment which is much less than Option 1. From Figure 3, Option 2 provides Bed and Equipment rental with a total of about RM 2 million. With 20% discount of RM 2 million per month, RM 500,000 per month will be collected for waqf. Here a total of RM 3.6 million is collected yearly and distributed with similar rate as Option 1. Although the distribution of discounted amount is viewed as much less, however the direct benefits are enjoyed by those who paid on cash basis about RM 2.4 million annually in Option 2 whilst Option 1 the direct benefits on cash basis is RM 9.6 million annually.

Benefits From the Waqf Activities For the Ummah

The high healthcare expenses at private specialist hospital had compelled many patients to seek medical treatments at public hospitals. However due to Covid patients are being treated at most public hospital especially in Klang Valleys, many had avoided their normal treatment at public

hospital. To seek treatment at private hospital may be unaffordable for many patients. Hopefully with the added waqf facilities, it will provide patients a broader accessible range for them to seek medical treatment at private hospital since the 20% discount for cash patients is quite substantial. For those who are encouraged to do righteous deeds, as mentioned in Quran surah An-Nahl ayat 97

“ Whosoever does righteous deeds, whether male or female, and is a believer, verily We shall quicken with good life and We shall pay them a recompense in proportion to the best of what they used to do”

The waqf program provides a platform for those who want to contribute towards the virtuous deeds and receive the reward in perpetuity. Many would continue to contribute when they are enlighten with the progress of such program for the benefits of the ummah. The initial step towards this philanthropic waqf is very much depends on the trust earned when the programs are fully transparent. At the moment ANSH has received hospital beds, wheel chairs and a complete haemodialysis machine as waqf asset to ANSH patients.

Discussion

The proposed model will only work when MAIN allows to the formation of the framework. The WANCORP success was the collaboration between MAIJ and JCorp and heavily supported by KPJ Healthcare for the health services. Similar set up can be established if MAIN Selangor approves such collaboration. Although the accumulated assets of WANCORP has reached more than RM 811 million, however the benefits for healthcare allocated in 2020 was RM 225,050. WANCORP has diversified into other charitable programs and the success had benefitted the ummah as a whole especially in Johore state . However other states need to replicate the success. The move by ANSH is a step towards improving the philanthropic programs in healthcare.

The proposed two options very much depended on the available waqf fund contributed by public or any philanthropic institutions. Option 1 exhibits the full complete waqf programs for all tangible assets in the hospital. If that is true then RM 24 million can be available to CLBG and the benefits for healthcare services will be appreciated by public in Klang valley. In case of Option2, only about RM 6 million will be allocated for waqf benefits. As compared to WANCORP, the allocated benefits in healthcare services provided by these options are much more. Hence it is most pragmatic initiatives to pursue this collaboration for the benefits of the ummah.

Conclusion

The role of waqf is in providing health care services to the local community by giving low fees or at discount rate as proposed at An-Nur Specialist Hospital. This can be as an alternative to society to reduce the long waiting time at public hospitals. The time for the institution of waqf to support healthcare service is apt since the pandemic has afflicted many in the community with reduced economic capabilities and social security. However, the main effort is to obtain the approval from State Religious Council to allow public contributions in the form of cash waqf or in the form of tangible assets, example hospital beds or wheel chairs which are popular contribution by public to hospital.

As an effort to enhance the momentum of waqf activities in healthcare, it would be an advantage to look into the collaboration between a private healthcare provider and MAIN. Although there are still areas of alignment and streamlining of scope of works in the healthcare industry, building public confidence and trust is paramount to ensure the success of this program. This collaboration will enter a new dimension in philanthropic waqf for healthcare services

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