



Fatwa No. (18067)

Q: We represent a Saudi institution that is working in the field of trade. We want to found a company aiming at covering treatment costs and the costs of some surgeries for citizens and other Muslims in the Kingdom. We would like to be enlightened about the way to do this according to Shari`ah (Islamic law) as a valid alternative to the widely-acknowledged health insurance that is organized by commercial insurance companies. We will provide Your Eminence with a presentation of the company's goals

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and how it works. We hope that you have time to examine them and direct us towards how to achieve these goals which have become greatly needed by many people bearing in mind the high cost and variety of treatment. The following is a statement of the company's goals: The idea behind the company is to achieve cooperation and consolidation through donation in order to meet the health needs of all citizens according to a bases that coincides with Shari`ah (the principle of cooperation to spread risks). The company's elements are based on the following bases: 1- Establishing a fund that is represented in the legal attribute of the company that is to fund individuals with Shar`y (Islamic legal) personal attributes. The fund is to contain sums of money on request to be spent on the needs of subscribers in the fund, including health services and surgeries within limits that are defined by those in charge of the company. This is to secure the provision of treatment to all subscribers equally and justly and to cause no deficit in the fund that may violate its goals and the principle of just equity in bearing risks for all subscribers. 2- The how-to of financing: A defined sum of money is to be paid annually at the beginning of every year by an individual that is called a share. The principle of

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share independence is applicable to each family member. The contribution of each family

member is discretionally defined according to the needs and potential health condition of the individual. The shares of one family member is assembled in one subscription form which cites in detail the value of each individual's share and bears one family number. There is a deducted cost in return for opening the form (such as the salary of fund officials) provided that it does not exceed 150 Riyals per form. 3- The company opens known and advertised bureaus in principal regions of the Kingdom as well as other regions according to need that is based on the number of subscribers in every region. 4- The company contracts with the best private sector hospitals and treatment centers in all parts of the Kingdom in order to provide every subscription membership form holder with the highest quality services in accordance with health and administrative bases Member between the hospital and the company. 5- The individual (every independent form holder) receives a treatment visit coupon twice a year to any hospital or treatment center. The company incurs all treatment costs following from

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the coupon subject to the agreement referred to in the previous clause. Moreover, a family may have no less than 6 and no more than 10 coupons for the same purpose. 6- The company incurs all minor surgeries such as (to be defined by a medical committee) for every subscription-fee-paid form holder. 7- The subscriber shall be given the option to have, from the company, coverage for the costs of major surgery within and outside the Kingdom within the limits of no more than 10,000 American dollars and no less than 7,000 American dollars. This entails payment of a sum of money added to the form price under the item of major surgery share, which is defined after being studied. 8- The company undertakes to return 25% of the fund surplus after each annual budget to all subscribers who did not have any treatment services or surgery coverage. The subscriber's right to this percentage is forgone if they have used (all or some of) the treatment coupons. 9- The company's budget is issued annually by an auditor and is submitted

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to any subscriber requesting it. 10- After returning the referred-to percentage, the remaining surplus is considered the company's administrative expenses, workers and supervisors, including founders, salaries and expenses of any future expansion of services.

A: In fact, Ramattan Project for Health Services, that is based on the abovementioned clauses, is a type of insurance organized by commercial insurance companies, regarding which a decree was issued by the Council of Senior Scholars, another by Islamic Fiqh Academy of the Muslim World League and a third by the Islamic Fiqh Academy in Jeddah as well as fatwas of Permanent Committee for Scholarly Research and Ifta to the effect of prohibiting all types and forms of commercial insurance, whether it be for life, property insurance or otherwise. Thus, the Committee gave the fatwa that the idea of Ramattan Bureau for Health Services is impermissible as it stands for an aleatory contract, betting and eating up people's property unjustly. Allah (may He be Glorified and Exalted) says: ﴿ [Help you one another in Al-Birr and At-Taqwâ \(virtue, righteousness and piety\); but do not help one another in sin and transgression.](#) ﴾

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May Allah grant us success! May peace and blessings be upon our Prophet Muhammad, his family and

Companions!

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