
Applied Integration Model in Education Plan for Learning Recovery

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Abstract - Islamic insurance, which is known as *takaful*, has been commonly used by people especially in most Muslim countries ever since it was introduced. The system has raised many new inventions to increase the effectiveness and to satisfy the people's needs. However, the existing models of *takaful* do not provide plans for learning disabled children, even though their number is increasing year by year. The learning disabled children can achieve a better condition with consistent guidance hence something must be done to help them. This study discusses the *takaful* the education plan for learning disabled children, which will contribute a lot to their recovery from learning disability. By applying an integrated model of the *takaful* education plan, a new recovery model of the *takaful* education plan is proposed, which consists of a plan that may assist the education of the learning disabled children.

Keywords: Existing Model, Recovery, Learning Disabled Children, Integrated Model, *Takaful* Education Plan

1. Introduction

The world is getting tougher and more challenging. There is a need for every person to be equipped with the knowledge to survive, regardless of the person's background. It is important to ensure basic literacy in reading, writing, and calculating is achieved by each person; and this begins from childhood itself. Without these basic skills, it is difficult for people to acquire a higher learning level in any field. We have seen high educational progress in Malaysia and it would be illogical if any child remains illiterate after some years of basic schooling. However, it was reported in September 2011 that three students from SK Bandar Bintangor in Sarawak were initially barred from taking their Primary School Assessment Test (UPSR) as their teachers claimed

that they were too weak academically (The Star, 2011). A month later, it was revealed that 1,000 out of 11,000 students who were chosen to undergo National Service training were illiterate (FMT, 2011).

The meaning of literacy is the ability to read and write (Oxford Dictionary, 2016), which includes basic knowledge that every person should have from a minimum of seven years old, which includes reading, writing, and calculating. Children's early literacy development is important. Their success in school and later in life, to a great extent, depends on the ability to read and write (Early Literacy, 2016). Diagnostic tests should be done at an early age for children who are unable to read, write, or calculate basic things by seven years old, because they might be suffering from learning difficulties (LDA America, 2016) such as autism, dyslexia, and dyscalculia. They may be recognized as learning disabled children. It has been found that usually the family members face financial problems, difficulty in enjoying leisure activities, and face various degrees of distress while trying to understand the behavior of psychiatric patients living at home (Hosseinkhanzadeh et. al, 2013).

These learning disabled children need to be guided by experts on how to learn consistently not just at school but also at home. The learning disabled children may recover the empowerment of basic knowledge with the help from parents and transforming education (Candace & Sheldon 2014). In order to help these special children, they are given a monthly contribution by the government, which is RM150 for those who are following the special education program and RM300 for those at the higher education level (FOMCA, 2015). Using the money received by the government, the parents should take a well-planned recovery scheme such as insurance that may provide incentives for servicing the teaching support for this kind of children at home.

Takaful is a kind of insurance but the difference is that it complies with the *shariah* law. The concept of takaful is different from insurance because takaful is aimed at helping each other while insurance is aimed at getting a profit. The efforts to promote the takaful business has made the takaful operators actively diversify their distribution channels into constantly introducing more innovative takaful products to satisfy the people's needs and the increasing variety of demands by the customers (Sherif & Shaairi, 2013). While the interests of disabled children are cared for by the authorities, insurance and takaful industries have not seen it as their main focus to provide insurance or takaful protection to this group. Despite a number of studies on takaful being carried out in Malaysia, there is still very little research on takaful regarding education plans for disabled children, especially the learning disabled children.

There are a large number of disabled children in Malaysia, and it keeps increasing every year. Recorded in 2011, the total number of learning disabled children in Malaysia was 136, 659. Then in 2012, the number increased to 165, 281 (UNICEF Malaysia, 2014). With such a big number, it is important to prepare these children to at least achieve the minimum grade in education so that they can build their characteristics to become a person who can make decisions and to become an independent person. Mahama (2012) states that having an education would equip them with knowledge and skills, which are at least, two reasons why their communities would accept them. However, most of the parents only depend on the education provided in school and give the responsibility solely to teachers. This makes the

responsibilities of special education teachers too heavy (Laura et. al 2005) and less attention is given to the learning process at home which will delay the recovery.

Only parents of the learning disabled children know the feelings of having this kind of children. Only they know the high hopes inside their heart to see their children at least manage themselves and become independent (Department for Education UK, 2014), and at least be able to possess basic knowledge. It is strongly recommended that the parents will be able to help initiate their children's learning at home with their unique communicative ways. From this takaful plan, the parents will get incentives to provide a private tutor in order to give the children maximum help in learning recovery and in the education of the learning disabled children.

2. Methodology

Several reasons for the awareness of people to be still low when it comes to buying the takaful plan are that they are faced with a low frequency risk and they do not believe the agreement or do not understand the quotation. It is also due to having financial constraints and less monthly money surplus. A new integration model of the education plan using *wakalah* and *mudharabah* model was proposed by Ghazali et al. (2012c), which includes almost all of the riders with a low monthly premium. This new takaful plan is created with the participant and the participant's child as the riders. The participant can buy more than 1 unit for the same child to get the same protection but at a higher cost. The demand of the buyer for a highly satisfactory plan as proposed by Ghazali can be viewed in Table 1 as follows. The difference between the *wakalah* and *mudharabah* models is the *wakalah* fee.

Table 1. Buyer's Proposal of the *Wakalah* Integration Model

Numbers	Items	Values
1	Period term	n year
2	Age of the participant's child	Kn year
3	Monthly contribution	RM Y
4	Interest rate	R per year
5	<i>Tabarru'</i> fund	RM T
6	<i>Wakalah</i> fee	RM W
7	Personal account	RM P
8	Monthly profit	RM M
9	Yearly profit	RM y
10	Surrender value	RM S
11	Death coverage	RM10x
12	<i>Khairat</i>	RM2x
13	Loss of ability to work/40 critical illnesses	RM10x
14	Learning support	RM
15	Hospital bills	RM5x

Based on the integration model above, this study focuses on creating a new recovery model of education plan for the learning disabled children. A total of RM100 is used as the monthly payment, which is affordable to lower income earners. This study uses the *wakalah* model rather than the *mudharabah*, considering it is the widely used model in current times. Table 2 shows the general demand of buyers for a new

education plan. The monthly payment of RM100 will be divided according to the partition and formulas in Table 2.

Table 2. The General Demand of Buyers

C ₁	C ₂	C ₃	C ₄	C ₅	C ₆	C ₇	C ₈	C ₉	C ₁₀	C ₁₁	C ₁₂	C ₁₃	C ₁₄	C ₁₅
n	K _n	12ny	T	W	P _n	J _n	S _n	T _n = J _n + S _n	2x	4x	10x	10x	12x	12x
Indicator;														
C1	: Year of contribution													
C2	: Age of child													
C3	: Yearly contribution													
C4	: <i>Tabarru'</i> account													
C5	: <i>Wakalah</i> fee													
C6	: Personal account													
C7	: Monthly profit													
C8	: Yearly profit													
C9	: Total Surrender value													
C10	: <i>Khairat</i>													
C11	: Teaching support													
C12	: Death coverage													
C13	: Death benefit													
C14	: Loss of ability to work/40 critical illnesses													
C15	: Hospital bills													

3. Result

Ghazali et al. (2012b) propose that the new integration model of the takaful education plan could attract all categories of income earners into buying it, as it has a low premium and provides almost all the complete riders. For this new education plan for learning disabled children, the partition of each rider is adjusted as the addition of a rider for learning support. This new education plan only covers protection for the participant's child. The division of partition in the *tabarru'* account is denoted in Table 3 as follows:

Table 3. Riders' Partition of the *Tabarru'* Account

<i>Tabarru'</i> Account	Partition ratio of <i>tabarru'</i> account (50x)	Partition of the contribution (RM12)
<i>Khairat</i> (2x)	2x = 1 person	RM0.24(2) = RM0.48
Learning support (4x)	4x = 1 person	RM0.24(4) = RM0.96
Death coverage (10x)	10x = 1 person	RM0.24(10) = RM2.40
Death benefit (10x)	10x = 1 person	RM0.24(10) = RM2.40
Loss of ability to work/40 critical illnesses (12x)	12x = 1 person	RM0.24(12) = RM2.88
Hospital bills (12x)	12x = 1 person	RM0.24(12) = RM2.88

The *tabarru'* account will use 12% of the monthly payment of RM100 and will consist of riders for *khairat*, learning support, death coverage, death benefit, loss of ability to work / 40 critical illnesses, and hospital bills. Hence, RM12 is divided with the total partition ratio of the *tabarru'* account, which is 50. Then, the division (RM0.24) will be multiplied according to the partition ratio of each rider. Since RM12 from RM100 monthly payment is used for the *tabarru'* account, the other balance is used for the personal investment account and the *wakalah* fee as shown in Table 4 in the following:

Table 5 below shows the result of the life table based on the proposal by Ghazali et al. (2012a) for the recovery plan for education, which is based on the earlier Table 2. The

calculation is continued until the 21st year of the matured plan, which is a suitable period for an educational plan. Meanwhile, Table 6 shows the manual calculation for the surrender value.

Table 4. Monthly Premium Payment Partition

Overall total of monthly premium payment	Personal Investment Account	Partition for riders (<i>Tabarru'</i> account)	<i>Wakalah</i> fee
RM100	1 st - 7 th year: RM75 8 th - 14 th year: RM81 15 th - 21 st year: RM83	RM12	1 st - 7 th year: RM13 8 th - 14 th year: RM7 15 th - 21 st year: RM5

Table 5. Life Table for Education Recovery Plan

C _{1&2}	C ₃	C ₄	C ₅	C ₆	C ₇	C ₈	C ₉	C ₁₀	C ₁₁	C ₁₂	C ₁₃	C ₁₄	C ₁₅
1	1200	144	156	1200	17	60	1281	2000	4000	10000	10000	12000	12000
2	2400	288	312	2400	420	120	2941	2000	4000	10000	10000	12000	12000
3	3600	432	468	3600	939	180	4720	2000	4000	10000	10000	12000	12000
4	4800	576	624	4800	1495	240	6536	2000	4000	10000	5000	10000	12000
5	6000	720	780	6000	2063	300	8363	2000	4000	10000	5000	10000	12000
6	7200	864	936	7200	2634	360	10194	2000	4000	10000	5000	10000	12000
7	8400	1008	1092	8400	3206	420	12026	2000	4000	10000	5000	10000	12000
8	9600	1152	1176	9600	4081	480	14161	2000	4000	10000	5000	10000	12000
9	10800	1296	1260	10800	4802	540	16142	2000	4000	10000	5000	10000	12000
10	12000	1440	1344	12000	5470	600	18070	2000	4000	10000	5000	10000	12000
11	13200	1584	1428	13200	6121	660	19981	2000	4000	10000	5000	10000	12000
12	14400	1728	1512	14400	6766	720	21886	2000	4000	10000	5000	10000	12000
13	15600	1872	1596	15600	7409	780	23789	2000	4000	10000	5000	10000	12000
14	16800	2016	1680	16800	8051	840	25691	2000	4000	10000	5000	10000	12000
15	18000	2160	1740	18000	8908	900	27808	2000	4000	10000	5000	10000	12000
16	19200	2304	1800	19200	9640	960	29800	2000	4000	10000	5000	10000	12000
17	20400	2448	1860	20400	10329	1020	31749	2000	4000	10000	5000	10000	12000
18	21600	2592	1920	21600	11003	1080	33683	2000	4000	10000	5000	10000	12000
19	22800	2736	1980	22800	11671	1140	35611	2000	4000	10000	5000	10000	12000
20	24000	2880	2040	24000	12338	1200	37538	2000	4000	10000	5000	10000	12000
21	25200	3024	2100	25200	13005	1260	39465	2000	4000	10000	5000	10000	12000

By applying what had been done by Ghazali et al., the following is the formula and calculation used to get an amount for each item.

$$S_n = 12Y_n + \left[P \left(\frac{i}{100} \right) \times \frac{66+S-1}{12} \right] + 12Y_n \left(\frac{5}{100} \right) \text{----- (1)}$$

Where n = 1, 2, 3... 11

Following are the application of formula (1):

Table 6. Calculation of the Surrender Value

Year	Calculation of Surrender Value (S _n)
1	$1200 + \left[75(0.05) \left(\frac{66+0}{12} \right) \right] + 1200(0.05) = 1200 + 21 + 60 = 1281$
2	$2400 + \left[75(0.05) \left(\frac{66+1281}{12} \right) \right] + 2400(0.05) = 2400 + 421 + 120 = 2941$
3	$3600 + \left[75(0.05) \left(\frac{66+2941}{12} \right) \right] + 3600(0.05) = 3600 + 940 + 180 = 4720$

4. Discussion

The Ministry of Welfare Malaysia gives RM150 as a monthly contribution to the disabled children in primary and secondary schools while RM300 per month is given

to those at higher learning institutions (FOMCA, 2015). Given the money contribution from the government to the disabled people, the amount of RM100 per month for the recovery plan is most suitable and affordable especially for lower income parents. When the participant's child is confirmed to have learning difficulties, he or she will get incentives worth RM4000 a year to hire a private tutor to teach the children at home. Participating in this plan is worthwhile for the future education of the learning disabled children. This new recovery plan provides a monthly allowance for private teachers to teach the learning disabled children. These children need continuous learning support and the way they learn is different. Hence, the help from private special education teachers is needed.

5. Conclusion

Learning disabled children (LDC) have great potential to become a great person such as Albert Einstein. Hence, these children should be given opportunities by their parents to achieve better in education and self-ability. With the new takaful education plan, the parents of LDC will be more caring of the need and support for their LDC. This plan helps to give parents a new initiative and hope to continue loving and supporting their LDC by providing financial management and teaching support. The new takaful education plan for learning disabled children offers almost all the complete riders (Ghazali et al., 2012d), which may consume more money using other existing plans. This is because the parents of LDC need to add new riders to have additional protection, which will increase the monthly payment. With the new education plan, it provides a win-win situation for the parents, LDC, and the takaful operators.

Disclosure Statement

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