

KSA: Vision 2030 update in relation to healthcare

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Way back on 25 April 2016 Saudi Arabia unveiled Vision 2030, a plan of action to transform its economy through the development and creation of alternative sources of income for the Kingdom. On the back of this, the National Transformation Program 2020 ('NTP') was announced in June that year as an interim measure for laying the foundations to achieve the aim of Vision 2030.

Healthcare was one of the growth areas identified in Vision 2030, with the aim of developing the private sector and reducing the reliance on the public health system. The NTP established a set of national priorities and goals to be achieved through job creation, strengthening partnerships in the private sector, maximising domestic industries, and digital transformation.

The NTP established strategic objectives for the Ministry of Health ('MOH'), the Saudi Food & Drug Authority ('SFDA'), and the Ministry of Investment ('MISA'), which included attracting foreign investment, improving the efficiency of the healthcare sector, nurturing private- public partnerships, and increasing the use of information technology and digitalisation.

Vision 2030 is an ambitious plan and is still ten years' away before it reaches fruition. This article explores what has been achieved so far and the developments made to date. (Our original post on the topic, entitled Vision 2030 and the Opportunities it Represents in Healthcare in Saudi Arabia, can be found here: [https://www.tamimi.com/law-update-articles/vision-2030-and-the-opportunities-](https://www.tamimi.com/law-update-articles/vision-2030-and-the-opportunities-it-represents-in-healthcare-in-saudi-arabia/)

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Digital innovations and e-prescriptions

One of the objectives of the MOH was the implementation of electronic medical records in all healthcare institutions (within both the private and public sectors) with the eventual aim of a Unified Medical Record System ('UMRS'), which will enable institutions and the MOH to share information. We understand that all MOH healthcare institutions and the majority of private healthcare institutions utilise electronic medical records for their patients. However, the UMRS is yet to be implemented.

All MOH healthcare institutions now communicate with their patients by sending notifications of their upcoming appointments and their medical prescriptions (by virtue of their national identity number) to their mobile phones. This enables patients to confirm or cancel appointments through this medium and arrange to collect prescriptions from designated pharmacies. Many hospitals in the private sector have a similar system for notifying patients of pending appointments, in addition to having access to online appointments and access to medical records.

E-prescriptions are now possible in Saudi Arabia and pharmacies within the Kingdom can now apply to the MOH to implement an electronic system for providing e-prescriptions. All pharmacies in Saudi Arabia must be Saudi owned in accordance with Saudi Law and foreign ownership is not permitted therefore, only

Saudi nationals are able to fulfil an order for e-prescriptions. However, it is possible for foreigners to implement an online e-prescription service that is fulfilled by a Saudi owned pharmacy with which it is partnered.

Both the MOH and the SFDA provide online services and it is possible for registrations and applications to be made via this platform. Furthermore, all correspondence with both agencies must initially be made online (or through a call centre for the MOH) before matters can be dealt with physically. The SFDA has online databases available to users relating to pharmaceuticals and medical devices (in addition to food and animal feed). All initial applications for investment licences are made online to MISA through their online portal and queries are dealt with through a call centre and online.

Telemedicine and teleconsulting

Telemedicine and teleconsulting (collectively 'Telemedicine') is now a regulated activity in Saudi Arabia. Previously, it was a tolerated practice before a licensing regime was introduced in December 2018 and Telemedicine Regulations ('Regulations') were published in June 2019. The Regulations state that telemedicine is available for screening, triage, consultation, diagnostics, obtaining a medical opinion from a healthcare practitioner, treatment support, and the monitoring of a medical condition. Telemedicine can be practised by foreign investors in the Kingdom and all legal requirements and protocols that are applied to healthcare practitioners in physical practice in Saudi Arabia equally apply to the practice of telemedicine. The MOH, through its public health services section, now provides telemedicine services through patients calling a designated telephone number (937) to obtain an initial medical consultation, and there is no need for an appointment to utilise this service and seek medical consultation. If the patient's health query can be resolved and if medication is required, the MOH will send a text message to the patient with a prescription number to get free medication from designated pharmacies. If further investigation or treatment is required after the initial consultation, patients can book appointments through the Sehha application, which then informs the patient of the nearest healthcare institution (public) to attend the required appointment. A number of private healthcare centres now provide a telemedicine service to complement their physical healthcare service, and in some cases this is a partnership with an overseas, high profile healthcare provider.

Foreign investment and ownership

Previously, foreigners could only own and manage hospitals and were unable to own or manage other healthcare institutions (such as clinics and laboratories). However, the Private Healthcare Institutions Law 3/11/1423H was amended in early 2019 and now foreigners can own or manage (with appropriate qualified personnel) all healthcare institutions with the exception of clinics (ownership of polyclinics or specialised polyclinics is permitted) and the MOH and MISA will now issue the relevant licences.

Pharmaceuticals and medical devices still can only be distributed through Saudi own and based distributors if such products are not manufactured in the Kingdom. As one of the goals of Vision 2030 is to improve the quality of healthcare services and promote competition amongst healthcare providers, the ability of foreigners to own or manage healthcare institutions paves the way for foreign investment by making it more attractive for the right investors to invest their expertise, capabilities, energy, and finances in the Kingdom. This development clearly demonstrates the Kingdom's commitment to meeting the goals of Vision 2030 relating to increased competition and a more efficient healthcare system.

Private healthcare insurance

Private healthcare insurance is now compulsory for expatriates and Saudi nationals (and their dependents) working within the private sector. There also appears to be a move towards the healthcare needs of public sector employees being provided through private healthcare insurance. It was recently announced that four government ministries have entered into or are in the process of entering into arrangements with specialised companies to provide medical insurance services for their employees (Ministry of Finance, Ministry of Commerce, Ministry of Tourism, and Ministry of Economy & Planning). It is only a matter of time before other government ministries and agencies follow suit in order to reduce the burden on the public health system. The Implementing Regulations of the Co-operative Health Insurance Law 8/05/1430H were recently amended to state that private healthcare insurers must provide coverage can only be distributed through Saudi own and based distributors if such products are not manufactured in the Kingdom. As one of the goals of Vision 2030 is to improve the quality of healthcare services and promote competition amongst healthcare providers, the ability of foreigners to own or manage healthcare institutions paves the way for foreign investment by making it more attractive for the right investors to invest their expertise, capabilities, energy, and finances in the Kingdom. This development clearly demonstrates the Kingdom's commitment to meeting the goals of Vision 2030 relating to increased competition and a more efficient healthcare system.

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The Kingdom's response to the COVID-19 pandemic

One of the objectives of the MOH within Vision 2030 was to adopt a national plan for emergency response to public threats in line with international standards, and Saudi Arabia's response to the COVID-19 pandemic has surpassed the efforts of many countries. The MOH has developed several online applications to track the spread of COVID-19 and to ensure essential healthcare services are provided to citizens, residents, and visitors currently in the Kingdom. The online applications are as follows:

- the Tetamman Application is designed to provide services for those who have been in contact with an infected person, have COVID-19 symptoms, citizens and residents who have arrived back in Saudi Arabia from abroad, and infected cases who have been referred to isolation and/ or quarantine period;
- the Tabaud Application alerts whoever downloads Tabaud when they have come into contact with an infected person. For the application to be effective, Bluetooth is required and this application is linked with the Tawakkalna application;

- the Tawakkalna Application has predominantly been used during the lockdown period that took place around May and June this year. During curfew hours, citizens and residents had to obtain approval to leave their houses through this application. Since the end of lockdown, Tawakkalna is now used to obtain Umrah permits and book COVID-19 tests, amongst other services.

Currently, all medical treatment that relates to COVID-19 is provided free of charge to all citizens, residents, and visitors in the Kingdom in an effort to curb the spread of the virus. Furthermore, the MOH provides COVID-19 PCR tests free of charge at various locations throughout the country, with all results being made available the same day. This is to ensure infected cases are identified quickly and all necessary action can be undertaken.

Conclusion

Great strides have been made within healthcare, especially with digitalisation and the provision of online content. The MOH, SFDA, and MISA are now working much more efficiently than pre-Vision 2030 and approvals and the issuing of licenses are being issued within record time. The healthcare offering both with the private and public sector has vastly improved and service levels are much higher with patients being the beneficiaries of such changes. We are now seeing foreign investor interest in the provision of an expanded scope of healthcare treatments and we are likely to see more foreign investment in healthcare centres, in particular.

The Kingdom has shown itself to be a world leader in its response to the COVID-19 pandemic and this can be demonstrated through the ever decreasing number of infections despite the fact that most of the world is heading towards or is experiencing a second wave of infections. The healthcare objectives of Vision 2030 are well on their way to being achieved on target and Saudi Arabia can look to the future with confidence in this growth area.

For further information, please contact healthcare@tamimi.com