

The Law of the Private Health Institutions
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Article 1

The Following words and expressions, Whenever they appear in this Law, shall have the meanings stated before each unless the context otherwise requires:

- Private Health Institution: Every health institution owned by the private sector, prepared for treatment, diagnosis, nursing, medical analysis, rehabilitation, or residence of convalescents, and such include:

1- Hospital:- Every place prepared to receive patients, examine them, treat them, and hospitalize such patients.

2- General Medical Complex:- Every place prepared for receiving, checking, examining, and treating patients, Wherein three specializations at least are existed provided that one of them shall be of the main specializations (Surgery, internal disease, gynecology and obstetrics, pediatrics, and family).

3- Specialized Medical Complex:- A complex for clinics of one or more medical specialization and the micro branches thereof.

4- Clinic:- Every place prepared for receiving, in medically examine patients, and treating them.

5- X. Ray Center:- The place that is prepared for making therapeutic tic or diagnostic radiograpluy or radiotherapy.

6- Medical Laboratory:- The place which is prepared for conducting Laboratory check up and examinations.

7- One- Day Surgery Center:- Health institution authorized to accept patients for medical procedures such as small and medium operations provided that the patient leaves such on the same day.

8- Auxiliary Health Service Centers:- Places provide technical or health services Complementing treatment complementary to treatment and rehabilitation, and such include:

a- Physic therapy.

b- Medical glasses centers.

c- Apparatus and “artificial limbs” premises.

d- Auxiliary Centers which sanctioned by a decision of the Minister of Health as Health service.

9- Ambulance Center:- The unit that assumes the aid transportation and the provision of aid services to the patient or the injured before reaching the hospital in accordance with the specifications and controls specified by the Saudi Red Crescent Society.

- Ministry: The Ministry of Health.

- Minister: The Minister of Health.

Article 2

1- With the exception of the hospital, the ownership of the private health institution shall be Saudi ownership.

2- The owner (proprietor) of the clinic shall be a doctor specialized in the clinic work nature, a supervisor of such and fully dedicated to such.

3- The proprietor of the specialized medical complex or one of the partners thereto at least shall be a doctor specialized in the nature of the complex activity, supervisor for such, and Completely dedicated to it.

4- Every private health institution shall, in all cases, have a full- time technical supervisor specialized in the institution activity nature.

5- The medical director in the hospitals shall be a Saudi qualified doctor according to what was stipulated by the executive regulation.

6- The administration of the private health institutions shall be restricted to the Saudi nationals of appropriate qualifications according to the controls and conditions stated by the executive regulation.

7- Provisions concerning the nationality of the proprietor, supervisor in the remote Areas specified by the executive regulation shall be exempted from the conditions set out in paragraph (1,3 and 5)of this Article.

Article 3

The private health institution building shall satisfy health conditions, engineering specifications, and appropriate distribution and the same shall contain the necessary furniture, and medical and non medical equipment and apparatus, and the same shall have a system to remove medical waste, a system for preventing infection, and a system for health information, the executive regulation shall specify the necessary standards and conditions for such.

Article 4

1- No any private health institution may be inaugurated or operated (run) save after completion of all the conditions and requirements stated in this law and in the executive regulation thereto and after obtaining the necessary license from the Ministry.

2- The License shall be granted to the health institution for five years renewable.

Article 5

The applicant for license for opening private health institution or he who applies for renewal of the license shall pay the prescribed fees as follows:-

- A hospital containing fifty beds maximum
5000 Riyals.
- A hospital containing 51 beds up to 100 beds
10000 Riyals.
- A hospital of more them one hundred beds
15000 Saudi Riyals
- General Medical Complex
2000 Saudi Riyals.
- Specialized Medical Complex
2000 Saudi Riyals
- Clinic
1000 Saudi Riyals
- X –Ray center
1000 Saudi Riyals.
- Medical Laboratory
2000 Saudi Riyals
- One –day surgery center
3000 Saudi Riyals.
- Auxiliary health service center
1000 Saudi Riyals
- Ambulance Center
1000 Saudi Riyals

Article 6

The private health institutions shall, upon licensing or renewal of Licensing – be classified according to standards and conditions set by an specialized committee at the Ministry of Health comprises of representatives of the Ministry of Health, the Ministry of Higher Education, Military health sector, the Saudi Authority for Health specializations, Cooperative Health Insurance Council, and the Saudi Commercial and Industrial chambers Council the procedures for the application of such classification and the regulatory rules of such committee shall be specified by the Executive Regulation.

Article 7

A Committee Composed of representatives of the Ministry of Health The Ministry of Higher Education, Military Health Sector, Cooperative Health, Insurance Council, Saudi Commercial and Industrial Chambers Council, and Health Insurance Companies, shall determine an average price around which the prices of services rendered by the private health institutions are fluctuated, such fluctuations were based on specific standards, and such shall be reviewed (reconsidered) every three years.

A decision in the formation of such committee shall be made by the Minister after nomination of representatives by their concerned authorities, the meetings (sessions) of such shall not be deemed legal save such were attended by two thirds of the members, and the recommendations thereof shall be issued by the majority of the attending members and such recommendations shall be deemed effective after sanctioned by the Minister, and the private health institutions shall announce the price of their services for dealers and abide by such after being sanctioned by the Ministry.

Article 8

The private health institution may not employ doctors or other health practioners and pharmacists save after obtaining license from the Ministry allowing them to practice the profession.

Article 9

Numbers of beds in public hospital shall not be less than thirty beds and the numbers of beds in a two specialization hospital shall not be less than twenty and ten beds in a one specialization hospital.

Article 10

The hospital shall commit to provide the necessary number of residing doctors, specialists, counsels, pharmacists, technicians, nurses, auxiliary health employment and other necessary services according to the capacity and classification of the hospital in accordance with the standards and controls specified by the Executive Regulation.

Article 11

The hospital shall be furnished with following:-

1- The necessary medical apparatus equipment, a laboratory and an X – Ray Unit according to specializations thereof, special quarantine rooms, Intensive care unit, and shall provide all the necessary aid services according to what was specified by the executive regulation.

2- Internal pharmacy satisfying the conditions and specifications according to the Law of practicing pharmaceutics profession and the executive regulation thereof.

Article 12

The Competent health authority shall be informed of any case of infectious disease immediately after the diagnosis of such and referring diseases necessitating quarantine to the Ministry hospitals directly, and informing the competent health authority of such at once.

The executive regulation shall specify the requirements necessary to execute such.

Article 13

Clinics and Medical Complexes shall be furnished with sufficient amount of drugs, medicines and aid means which the executive regulation specified the sale of which is prohibited.

Article 14

For any public or specialized medical complex to be licensed, such shall provide a counsel in the main authorized specialization at least and at least a male or female nurse shall be appointed for each clinic, In the remote areas specified by the Ministry the number of such may exceptionally be reduced either to one counsel or to be sufficed with the specialists.

Article 15

Lab, X ray unit, one day surgery center, and auxiliary health services of whatever Kinds shall be rendered and presented by specialists licensed in such, and the executive regulation shall specify the conditions for rendering such services, the qualifications of the specialists therein, and the work procedures.

Article 16

The private health institution shall commit to provide aid treatment to all serious emergency cases received without prior financial claim according to what specified by the executive regulation.

Article 17

Inspection Committees shall be formed in every Health Affairs Directorate to verify private health institutions abidance by the provisions of this Law and the executive regulation thereof, and the decisions issued by the Ministry by virtue of such, and monitoring specific quality levels, the formation of such Committees and the style of work thereof shall be specified by the Executive Regulation.

Article 18

The License shall be cancelled in case of the transference of the proprietorship of the private health institution to another proprietor or upon the change of the activity of the institution or the place prescribed for such to practice its activity without the approval of the Ministry.

Article 19

The License shall terminate in the following cases:-

- 1- Termination of its duration without the licensee being asking renewal for such, and such shall not prevent applying for new license after satisfying the legal conditions.
- 2- After the elapse of six months of the death of the proprietor of the private health institution, the license may be kept for the benefit (favour) of the inheritors (successors) during the whole period specified by the Ministry according to the circumstances of each case, provided that inheritors shall apply for such within six months of the date of death.

Article 20

Taking into consideration any aggravated punishment stipulated in another Law, whoever opens a private health institution without having a license shall be punished with the following:-

- 1- Closing the institution and depriving of obtaining the license for a period not less than six months and not exceeding two years of the date of closure.
- 2- A fine not less than 10000 Saudi Riyals and not exceeding 30000 Saudi Riyals in case of the auxiliary health service centers.
- 3- A fine not less than 30000 Saudi Riyals and not exceeding 100000 Saudi Riyals in case of laboratories and ambulance services.
- 4- A fine not less than 50000 Saudi Riyals and not exceeding 150000 Saudi Riyals in cases of clinics, medical complexes, and a one day surgery centers.
- 5- A fine not less than 100000 Saudi Riyals and not exceeding 300000 Saudi Riyals in case of all classes of hospitals.

Article 21

With the exception of violations stated in Article (20) and taking into consideration any aggravated punishment stated in another Law, Whoever violates any of the provisions of the Law shall be punished with one or more of the following punishments:-

1- A fine not less than ten thousand (10000) Saudi Riyals and not exceeding one hundred thousand (100000) Saudi Riyals.

2- Closure of the private health institution for a period not exceeding sixty days, and the institution shall take the necessary steps to move the hospitalized patients to another institutions before closure.

3- Withdrawing the license- and the said licensee may not apply for a new license save after the elapse of two years at least of the date of the execution of the withdrawal decision.

Article 22

The legal (Sharia) medical committee stipulated in the Law of practicing the profession of human medicine and dentistry shall have jurisdiction to examine and review the responsibility of the private health institutions for the medical and vocational faults or negligence's, a claim of which concerning the private or public right is raised.

Article 23

The Ministry shall take the necessary procedures for the continuation of rendering the necessary treatment to the patients in a manner it deems appropriate if a damage to the patients benefited from such services is resulted in the closure of private health institution.

Article 24

1- Committees shall be formed in Health Affairs Directorates by a decision of the Minister each shall composed of three members and at least one of them shall be a counsel in medical professions, the other is a legal counsel to examine the violations of the provisions of this Law and inflict the punishments stipulated therein, the decision of these Committees shall not deemed effects save after such being sanctioned by the Minister or by the one he delegated or deputized.

2- Those who concern may complain against such decisions before the Board of Grievances within sixty days of the notification date.

3- The final decision verdict issued in punishment shall be published on the expense of the violator in three local newspapers, one of which at least shall be issued in his place of residence, if there is no newspaper issued therein, such decision shall be published in the newspaper issued in vicinal area.

4- The Executive Regulation shall explain the term of membership in this committees, procedures to be followed in the course of work and the way of conveying their decisions.

Article 25

Every private health institution shall explain the provisions of the Law of labor and laborer to whoever it wishes to contract with, procedures guide, Job description, and the related laws effected in the Kingdom of Saudi Arabia before concluding a contract with him.

Article 26

Private Health institution shall commit to enable health practioners to attend the extra- mural medical education programs in their area of specialization either inside the Kingdom or abroad in accordance with rules specified by the Saudi Authority for Health specializations.

Article 27

All hospitals shall commit to provide medical library therein and shall also commit to subscribe in the appropriate scientific periodicals in its specialization. Other health institutions shall commit to provide the main scientific periodicals related to its specialization.

Article 28

The Minister may, in emergency cases necessitate the mobilization of all the health capabilities, order the use of any private health institution or part thereof for the purposes he specifies, provided that the Ministry shall pay the fair expenses for the period of use.

Article 29

The private health institution shall promptly notify the nearest competent authority and the health affairs directorate at the area of any criminal accident or death of patients dealing with it or hospitalized therein, such shall also include notification of any criminal accident necessitate the injured to seek the aid or treatment therein, and it shall also keep a full register of the traffic accidents and injuries.

Article 30

The private health institution shall be prohibited from advertised itself save within the limits not contradicting the ethics of the profession according to the standards specified by the executive regulation.

Article 31

The Minister shall issue the executive regulation of this Law within ninety days of the date of publication of the Law in the official Gazette.

Article 32

This Law shall replace the Law of Private Medical Institutions issued by the royal decree No. 58 dated 3/11/1407H.

Article 33

Licenses issued for the private health institutions according to the Laws and instructions effected at the time of the issuance of this Law shall deemed valid, and such institutions shall rectify their status according to the provisions of this Law and the executive regulation thereof within two years of the date of the enforcement of the executive regulation.

Article 34

This Law shall be published in the official Gazette and shall come into force after ninety days of its publication.

(1) 9 Jan 2003.