# **Establishment of Dubai Academic Health Corporation / Impact on the Dubai Health Authority**

**Andrea Tithecott** - Partner, Head of Regulatory and Healthcare - Commercial / Regulatory / Legislative Drafting / Sustainability focused Corporate Governance / Sustainable Finance / Sustainable Business / Sustainable Sourcing / Climate Change & Energy Transition / Projects

a.tithecott@tamimi.com - Abu Dhabi

Clare Heaney - Associate - Corporate / Mergers and Acquisitions / International Litigation Group / Litigation

- Abu Dhabi



This illustration is inspired by the original painting of **The Persistence of Memory** by Salvador Dalí.

On 12 July 2021, Law No. 13 of 2021 establishing the Dubai Academic Health Corporation ('**DAHC Establishing Law**') and Law No. 14 of 2021 amending some clauses of Law No. 6 of 2018 pertaining to the Dubai Health Authority ('**DHA Amendment**') was issued in Dubai.

We have summarised below the objectives of the new Dubai Academic Health Corporation ('**DAHC**') and the changes to the Dubai Health Authority ('**DHA**'), which include the DAHC's objective of strengthening Dubai's leadership in medical education and scientific research and the DHA positioning itself as the unified regulator for the emirate of Dubai, including its free zones.

## The DAHC Establishing Law

The DAHC Establishing Law recognises the DAHC as an academic health system, with financial and administrative independency. The DAHC seeks to strengthen Dubai as a global leader in medical education, research, and scientific innovation as part of the broader strategy to strengthen the knowledge economy in Dubai. Further, the DAHC seeks to enhance the capabilities of Dubai's healthcare sector to prevent and treat diseases and epidemics. The new corporation also aims to develop educational and professional programmes for healthcare personnel and promote strategic public-private sector partnerships to meet its objectives.

The DAHC aims to improve patient access to health services in Dubai and ensure a sustainable sector in accordance with the highest standards and best practices. The new corporation seeks to develop, attract, and retain exceptional medical and research talent, promote Emiratisation in various healthcare fields, and provide a supportive environment for scientific and clinical research that improves health. Further, the DAHC will strive to attract strategic investments in life sciences and promoting research and innovation in health and biomedical sciences. Section 8 of Article 5 of the DAHC Establishing Law elaborates on this further, stating that the DAHC is charged with:

"Strengthening the emirate's position as a global medical and health centre, a destination for health and medical tourism, and a leading destination in the field of medical education, research, and scientific innovation."

Further, in accordance with Article 7 of DAHC Establishing Law, the DAHC is now tasked with managing and operating the following healthcare facilities:

- 1. all DHA hospitals, primary healthcare centres, specialised care centres, medical fitness centres, and public health and occupational health centres;
- 2. the Mohammed Bin Rashid University of Medicine and Health Sciences;
- 3. Dubai Dental Hospital;
- 4. Al Jalila Foundation;
- 5. Al Jalila Children's Specialty Hospital, and
- 6. any other entities mandated to be part of the DAHC as per the legislation issued by the Ruler of Dubai.

#### ('DAHC Entities')

For six months from the date of publication of the DAHC Establishing Law (i.e. until the end of 2021), the DAHC Entities shall retain their legal personality. During this six month transitional period, the DHA and DAHC will work together to support the DAHC to carry out its functions, including to determine whether the DAHC Entities will continue to operate in the same way under the DAHC, or will either be merged into DAHC or liquidated.

The Board of Directors of the DAHC will also provide a Strategic Plan, its Governance Framework, and confirmation of the DAHC Entities to be cancelled, merged, or transferred to the DAHC by the end of 2021. We expect that the Strategic Plan will be published in early 2022 and should provide further guidance on how the DAHC Establishing Law should be implemented. In addition, we expect the enactment of further resolutions that will enable the DAHC to deliver a new healthcare strategy.

### Changes to the DHA

The DHA Amendment positions the DHA as the unified regulator for the emirate of Dubai, including any healthcare facilities that are established in free zones, such as the Dubai International Financial Center. Specifically, the law provides that the DHA will replace the Dubai Healthcare City Authority ('**DHCA**') with effect from 24 October 2021. The DHA is tasked with regulating the healthcare activities within the Dubai Healthcare City ('**DHCC**') free zone, including, but not limited to, licensing of healthcare professionals and healthcare facilities in the DHCC, supervising and inspecting healthcare professionals and facilities. Healthcare facilities and healthcare professionals in the DHCC will now use the DHA's Sheryan online system for licensing. Already existing DHCC facilities will have been automatically migrated from the DHCC Massar System to the DHA Sheryan system. All new applications for established DHCC healthcare facilities and licensing healthcare professionals practicing in the DHCC should use the DHA's Sheryan system.

The DAHC will not take over the functions of the DHA; the two entities retain separate authorities. The words 'in coordination with' used in the DHA Amendment are intended to mean that the DAHC will influence matters of governance, with the DHA retaining its existing regulatory functions. In accordance with the DHA Amendment, the DHA will coordinate with the DAHC when preparing and supervising the implementation of strategies necessary for improving healthcare services in line with the Strategic Plan of the Emirate. The DHA will also coordinate with the DAHC when preparing a database for the health sector, healthcare services, and patients, as well as updating and developing the same on a regular basis.

#### Conclusion

We expect that the DAHC will publish further resolutions regarding how the organisations named in the DAHC Establishment Law will continue to operate or whether they will be merged into DAHC or liquidated. As referred to above, these organisations comprise all DHA hospitals, primary healthcare centres, specialised care centres, medical fitness centres, and public health and occupational health centres (currently organised under the collective governance control of the Dubai Healthcare Corporation), the Mohammed Bin Rashid University of Medicine and Health Sciences, Dubai Dental Hospital, Al Jalila Foundation, and the Al Jalila Children's Specialty Hospital. We recommend watching this space until the conclusion of the Strategic Plan along with any additional regulations, which may make statutory changes to the legal identity of these organisations.