

Structural Changes in the Ministry of Health

The President of the Republic of Uzbekistan signed the Decree “On Further Measures to Improve the Activities of the Ministry of Health” No. UP - 156 dated 6 September 2023 (the “**Decree**”), which, among other things, provides for the structural changes in the Ministry of Health as detailed below.

The Pharmaceutical Industry Development Agency (the “Agency”)

The Decree contemplates the return of the Agency to the subjection of the Ministry of Health (the “**MoH**”).

Previously, pursuant to the Presidential Decree “On Measures Implementing Administrative Reforms of the New Uzbekistan” No. UP - 269 dated 21 December 2022, the Agency was transferred to the jurisdiction of the Ministry of Investment, Industry and Trade. At the same time, tasks and functions related to the registration of medicines and medical devices were transferred to the MoH.

State Health Insurance Fund (the “Insurance Fund”)

In addition, the Decree stipulates that the Insurance Fund is also transferred to the MoH. Furthermore, the Decree provides that the Supervisory Board of the Insurance Fund will independently:

- Identify state and private providers of medical services within the framework of the guaranteed capacity of medical care,
- Determine the volume of purchased medical services,
- Set a budget for the implementation of its functions.

Notably, the composition of the Supervisory Board of the Insurance Fund was formed and approved in accordance with Appendix 5 to the Presidential Resolution “On Measures to Introduce a New Model for the Health Care System Organization and Mechanisms of State Health Insurance in the Syrdarya region” No. UP - 156 dated 6 September 2023. In case the Supervisory Board member ceases to hold a specific position, the newly appointed official to such vacant position or a person entrusted with the corresponding functions shall take his/her place.

Moreover, according to the Decree, starting from 1 January 2027 the Insurance Fund will be withdrawn from the structure of the MoH and will operate as an independent fund.

State Trust Fund for the Development of Medicine under the MoH (the “Medicine Development Fund”)

In addition to including the Agency and the Insurance Fund to the structure of the MoH, the Decree establishes the Medicine Development Fund by merging:

- Oncohematological and Intractable Diseases Fund,
- Emergency Medical Services Development Fund,
- Fund for Supporting and Attracting Gifted and Qualified Medical Professionals to Medical Institutions,
- Spinal Muscular Atrophy Children Fund.

The Medicine Development Fund may pay for:

- Enhancing facilities and equipment of healthcare management bodies and state medical institutions of the MoH, purchasing software and technical maintenance of information and communication networks,
- Purchase of medical equipment, computers, tablets, multimedia, and network devices, software, widespread adoption and development of information and communication technologies,
- Purchase of equipment, medicines, and medical products, laboratory reagents and other consumables for patients with oncohematological and intractable diseases, as well as major and current repairs, construction, and reconstruction of relevant medical institutions,
- Financing of other activities aimed at fulfilling the tasks assigned to the MoH, as well as reimbursement of expenses associated with the implementing the healthcare sector reforms.

Besides, starting from 1 January 2024, a management board of the Medicine Development Fund will be established in the central office of the MoH within the limits of management personnel count of the MoH.

Status and Source of Funding of the Agency and Insurance Fund

The Decree stipulates that transfers of the Agency and the Insurance Fund are carried out without any changes to their statuses as independent legal entities while maintaining existing sources and the procedure for their financing.

The Medicine Development Fund is established without the status of a legal entity. It is a legal successor to all obligations and income sources of the liquidated funds based on which it was created.

Increasing Public Awareness about the Activities of the Healthcare Authorities

On 4 October 2023, the President signed a Law "On Amendments and Additions to Certain Legislative Acts of the Republic of Uzbekistan aimed at Increasing Public Awareness about Activities of the Healthcare Authorities" No. ZRU – 870 (the "**Law No. 870**"). The Law No. 870 amended the Law "On Local Authorities" No. 913-XII dated 2 September 1993, as well as the Law "On Public Self-Government Bodies" No. 350 dated 22 April 2013.

As per the Law No. 870, based on the results of each half-year, the heads of the regional and Tashkent city healthcare departments, as well as the district (city) medical associations submit to the pertinent local legislature authority (Councils of People's Deputies) a report on the following matters:

- ✓ Implementation of state healthcare development programs;
- ✓ The state of disease prevention;
- ✓ Creating conditions for a healthy lifestyle and proper nutrition;
- ✓ The main healthcare indicators.

After reviewing the report, the respective Council of People's Deputies assesses the effectiveness of the healthcare authorities' activities, adopts a corresponding decision, which is consequently sent to the regional healthcare departments or the MoH.

Besides, according to the amendments made to the Law "On Public Self-Government Bodies", the citizens' assemblies review information (e.g., about the implementation of preventive examinations, screening programs, and protection of reproductive health of citizens) from the heads of central district (city) multidisciplinary clinics, family clinics, and family doctor's offices, where the respective population is registered.

Contacts:



Zafar Vakhidov
Partner, Vakhidov & Partners
Uzbekistan / Kazakhstan
ZV@vakhidovlaw.com

VAKHIDOV & PARTNERS

vakhidovlaw.com



Kamila Sharipova

Senior Associate, Vakhidov & Partners

Uzbekistan

KamilaSh@vakhidovlaw.com

+7 705 209 91 59 | +998 97 727 0345
zv@vakhidovlaw.com
vakhidovlaw.com