

New Heights of Healthcare Service with Foreign Health Workers and Medical Personnel Utilization in Indonesia

Prepared by:

Nashatra Prita (Partner) and Alma Almira (Associate)

Indonesia, a vast archipelago nation, has long grappled with challenges in its healthcare system. The law on healthcare was initially introduced in 2009, and in the wake of rapid post-pandemic development, it has left a significant legal gap, failing to address the evolving healthcare landscape. In response to such challenges and to accommodate the digital era, the Indonesian government enacted Law Number 17 of 2023 concerning Health (“**Law 17/2023**”).

Enacted in August 2023, Law 17/2023, which also known as health omnibus law, revokes 11 laws related to healthcare to simplify healthcare regulations with the aim to align national health industry and services with global standards and striving for a better quality of life for Indonesian citizens by comprehensively strengthening the healthcare system.

One breakthrough which was introduced in this new legislation is the entrance of foreign health workers and medical personnel to contribute to Indonesia's healthcare sector. This article will discuss the new aspects of healthcare service with the utilization of foreign health workers and medical personnel in Indonesia.

A. Opportunities for Foreign Healthcare Workers

(i) Foreign Citizens Who Graduated from Indonesian Schools*

In a general context, Law 17/2023 provides opportunity for foreign medical workers and healthcare personnel who have graduated from an Indonesian school to practice in Indonesia by first obtaining (i) a Registration Certificate (*Surat Tanda Registrasi* or “**STR**”)¹ and (ii) a License to Practise (*Surat Izin Praktik* or “**SIP**”)². Additionally, these individuals may practise their profession at the request of a healthcare service facility³ user, with specific time limitations⁴.

(ii) Foreign Citizens Who Graduated Overseas

Foreign citizens who graduated overseas may practice in Indonesia as foreign medical workforce and/or healthcare personnel. However, this privilege is restricted to members of the specialist and sub-specialist medical workforce and healthcare workers, i.e., those with certain competence levels and who have obtained an STR and SIP⁵.

¹ Further regulations will be provided by the implementing Government Regulation, which is yet to be enacted.

² Written evidence given to registered Medical Workforce and Healthcare Workers.

³ Written evidence given to Medical Workforce and Healthcare Workers as the granting of authority to practice.

⁴ Places and/or tools used by the Central Government, Regional Governments, and/or the general public to provide Healthcare Services to individuals or communities using promotive, preventive, curative, rehabilitative, and/or palliative treatment.

⁵ Article 246 of Law 17/2023

⁶ Article 249 of Law 17/2023

The certain competence levels⁶ mentioned above are proven by the participation in a competency evaluation conducted by the Minister of Health, involving the Minister of Health who conducts government affairs in the field of education, the council⁷, and the collegium⁸. Members of the specialist and sub-specialist medical workforce and healthcare workers must undergo an assessment of (1) administrative completeness, followed by (2) an assessment of practical ability⁹.

It is worth noting that the requirements to undergo the competency level assessment and be declared as competent do not apply to specialists and sub-specialists in the medical workforce and healthcare workers who are foreign citizens and who¹⁰:

- a. graduated from an education provider abroad that has been recognized and have practiced as specialist and sub-specialist members of the medical workforce or as healthcare workers at a certain competency level, for at least 5 (five) years abroad, which must be proven by a certificate or other documents issued by an authorized institution in the country concerned; or
- b. are experts in a certain field of excellence in healthcare service, as evidenced by competency certification and have practiced for at least 5 (five) years abroad.

Another point to consider is that specialists and sub-specialists in the medical workforce and healthcare workers who are foreign citizens and graduated overseas may practice at healthcare service facilities in Indonesia under the following conditions¹¹:

- a. there is a request from a healthcare service facility that employs specialists and subspecialists in the medical workforce or healthcare workers who are foreign citizens and graduated overseas, in accordance with the facility's needs. However, the request must prioritize the use of medical workforce and healthcare workers who are Indonesian citizens and meet the competency standards;

- b. for the transfer of technology and knowledge;
- c. except for who works within the special economic zones, for a maximum period of 2 (two) years, which may be extended once for an additional 2 (two) years.

B. Conditions and Qualifications

STR and SIP*

As mentioned in point A above, foreign specialists and subspecialists (who graduated overseas) in the medical workforce and healthcare workers must obtain an STR and SIP before they can commence their practice in Indonesia. STR and SIP for specialists and subspecialists in the medical workforce as well as healthcare workers is valid for a period of 2 (two) years and may be extended 1 (one) time and only for the next 2 (two) years¹².

This limitation poses challenges for both foreign doctors seeking to work in Indonesia and hospitals as employers. Foreign doctors may be reluctant to commit to temporary tenure, and it also places an obligation on healthcare institutions to manage these engagements prudently to avoid violations of laws and regulations.

It is expected that further provisions to clarify the above issues will be included in the implementing Government Regulations, including licensing procedures, qualification standards, and the monitoring of foreign healthcare professionals during their tenure in Indonesia.

However, there is an exemption from obtaining an STR as one of the requirements for foreign members of the medical workforce and healthcare workers to practice in Indonesia, in the event such foreign members of the medical workforce and healthcare workers (who graduated overseas) intend to provide education and training for the purpose of knowledge and technology transfer or other activities during a specific timeframe in Indonesia. However, the exemption will be granted by obtaining an approval from the Minister of Health¹³.

⁶ Article 248 of Law 17/2023

⁷ An institution that implements duties independently in order to improve the quality of practice and professional technical competence of medical workforce and healthcare workers as well as providing protection and legal certainty to the general public.

⁸ A collection of experts from each health discipline who manage their respective disciplines and who carry out their duties and functions as members of the collegium independently as a tool of the council.

⁹ The assessment of practical ability includes competency equalization and competency testing. The purpose of competency equalization is to ensure compliance with the competency standards for medical workforce and healthcare workers in Indonesia.

¹⁰ Article 250 of Law 17/2023

¹¹ Article 251 of Law 17/2023

¹² Article 252 of Law 17/2023

¹³ Article 255 of Law 17/2023

Furthermore, Law 17/2023 provides a requirement for healthcare service facilities that employ specialist and sub-specialist members of the medical workforce to provide additional Indonesian language education and training for foreign members of the medical workforce and healthcare workers to ensure effective communication with patients.¹⁴

With the inclusion of foreign health workers and medical personnel in the healthcare industry, we expect more collaboration between local and foreign healthcare professionals, ensure transfer of knowledge for sustainable development of healthcare services in Indonesia, allowing local healthcare professionals to upgrade their skills and knowledge to global standards. It opens doors to innovative treatment options and cutting-edge medical technologies, ultimately enhancing patient care, not just for Indonesians but to attract a broader patient base, including medical tourists seeking high-quality healthcare in Indonesia.

From a foreign investor perspective, Law 17/2023 offers an opportunity for foreign investors to establish healthcare facilities in Indonesia that meet international standards and provide healthcare services that cater to both the domestic population and medical tourists, tapping into a potentially lucrative market.

¹⁴Article 253 of Law 17/2023

- o0o -

The article above was prepared by Dentons HPRP's lawyers

This publication is not intended to be a comprehensive review of all developments in the law and practice, or to cover all aspects of those referred to. Readers should take legal advice before applying the information contained in this publication to specific issues or transactions or matters. For more information, please contact us at dentons.hprp@dentons.com.

No part of this publication may be reproduced by any process whatsoever without prior written permission from Hanafiah Ponggawa & Partners.