The Faculty of Medicine was one of the first four faculties in Tartu Academia Gustaviana University (1632-1656).

In 1802 University of Tartu, Universitas Dorpatensis was re-opened and its first rector was Georg Friedrich Parrot.

In the year 1802 Daniel Georg Balk, a medical scientist who received his education in the universities of Königsberg and Berlin, was invited to the position of pathology and therapy professor at the re-opened university.

In 1803 D. G. Balk became the rector of the University of Tartu.

In May 1804 the medical scientist Daniel Georg Balk established and opened Tartu University Hospital - Clinicum Universitatis Dorpatensis - in the house of Dahlström that was located at Riia hill in Tartu.

There were approximately 9,000 inhabitants in Tartu in the year 1804.
On July 27th, 1808 Clinicum Universitatis Dorpatensis was taken to Toome, into a stone building that was rebuilt from a former barrack-building.

In the year 1843 the Women's Clinic was separated from the Hospital and it was moved into a house just beside the Hospital building. Since this time the name Hospital was not used for a long time any more.

When Estonia regained independence, the reestablishment of the Hospital came high on the agenda. A state-of-the-art and constantly developing training hospital uniting different profile clinics and being a centre of Estonian medical culture was and still is necessary. The first steps were taken in 1993 when an umbrella organisation called Tartu University Hospital was set up. In January 1998 the Government of the Republic of Estonia, University of Tartu and city of Tartu concluded a cooperation protocol and on Dec 22th 1998 the Foundation Tartu University Hospital was established.

The reason for the establishment of this big institution was the vision of Estonia, the population of which is 1.5 million, as one of the world's healthcare regions and of the Hospital as the flagship of Estonian medicine.