

May 4th 2020

# EIT Health Strategy Review

- **Faithful to goals shared by partners: better health | sustainable systems | competitive health economy**
- **Committed to create unique value for and by partners, in a sustainable way**
- **Draft based on learnings and careful considerations | invitation to discuss**

Dear EIT Health Partners,

We are proud to present to you the first version of our presentation on 'EIT Health 2.0'.

We stay committed to our high-level goals that we know you all share: better health, sustainable healthcare systems and a competitive health economy.

Over the past four years, we have together developed EIT Health into a powerful European innovation platform. What we have learnt informs what we have defined as our main lines of transformation to ultimately make EIT Health even more impactful for citizens and patients: we will focus on delivering high-value solutions to transform healthcare, on building and scaling European healthcare companies, as well as on educating the entrepreneurs, change-agents and professionals that enable this.

We invite you to join us in the process of further developing the review of our strategy – in partnership.

*For the management*

Jan-Philipp Beck, CEO

Bart Haex, Director of Strategy a.i.

# Goals, Scope, Value proposition

## Achievements

Things we can be proud of



87

PRODUCTS /  
SERVICES LAUNCHED



36,000

PROFESSIONALS  
& GRADUATES TRAINED



248m +

€ INVESTMENT  
ATTRACTED by TARTUPS

## Collaboration

Network with all health innovation 'ingredients'



268

PARTNERS IN COMMUNITY

Collaborating through regionally anchored innovation hubs, connected at European level



31

COUNTRIES ENGAGED

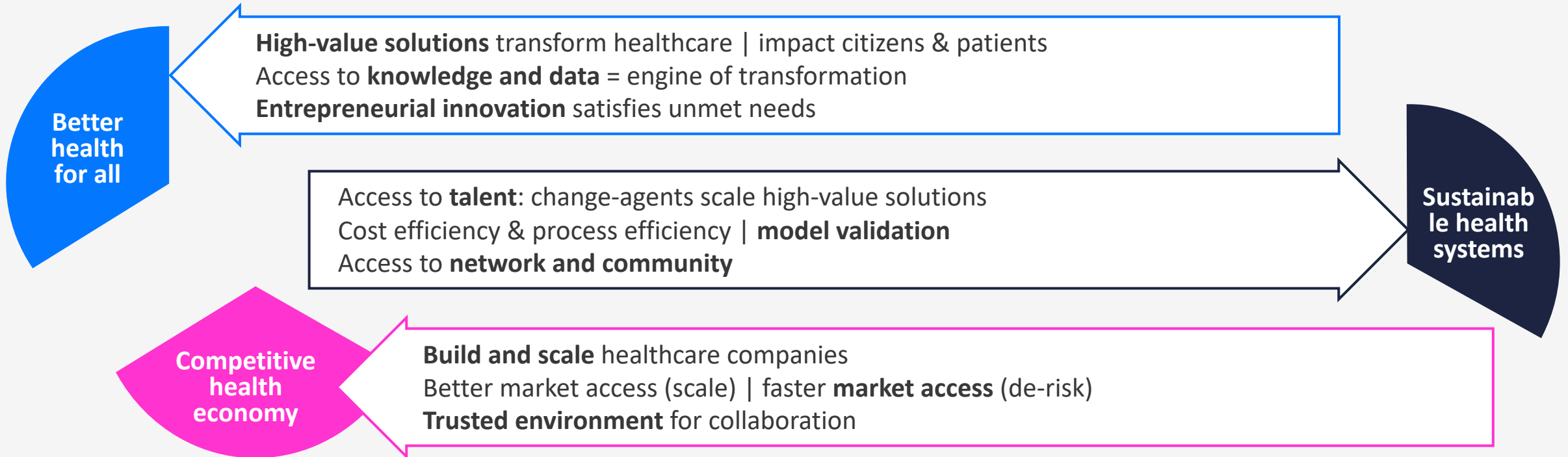
# EIT Health Goals

Achieving societal impact



# EIT Health Scope

Contributing to economy and society



# COVID-19 Learnings

Crisis accentuates the **unique value and relevance** of EIT Health partnership

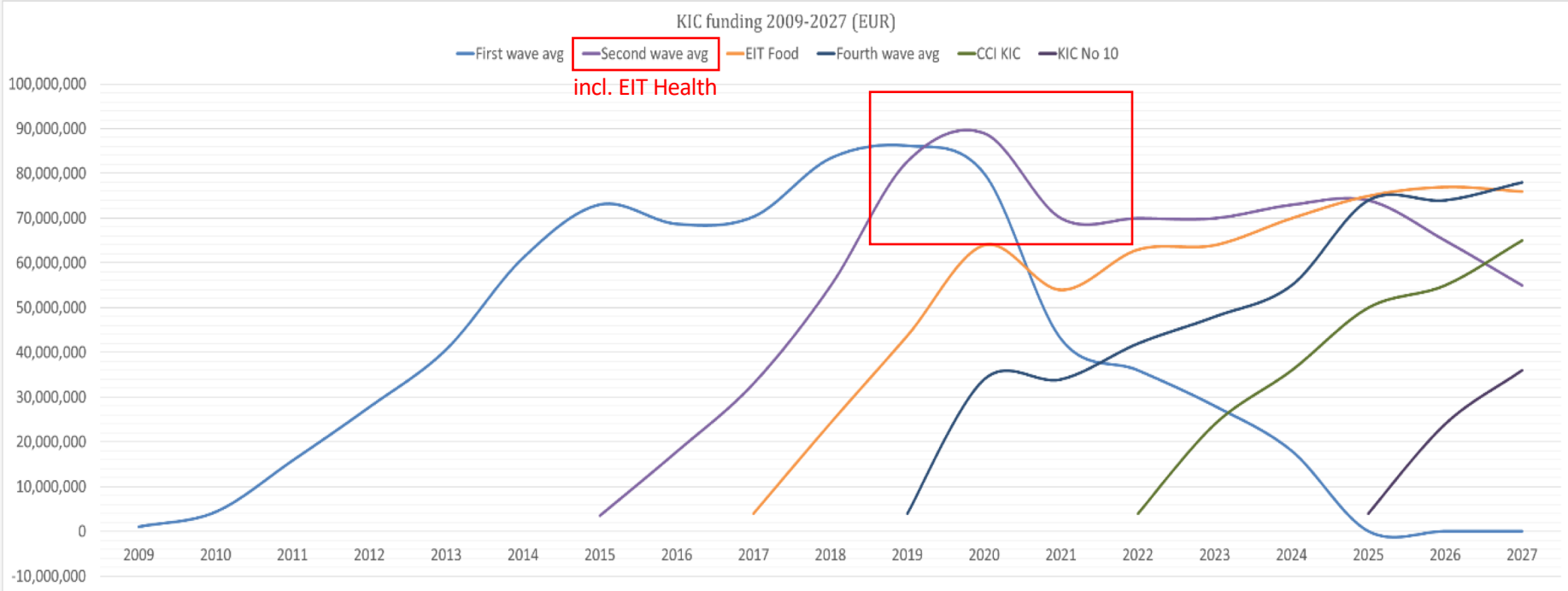
- Partnership **identifies needs** through early engagement with citizens and patients, health care providers, health authorities and regulators.
- Working model (geographically distributed and regionally anchored) fosters **collaboration and alignment**.
- Partnership network has competence and knowledge to build solutions, and **critical mass to build scale** them at the European level
- Education equips people with skills and **competences for future needs** (including digital transformation)



EIT Health should address prevention and mgmt. of future pandemics (= key challenge)  
EIT Health significantly contributes to health (= most important area in Horizon Europe)

# Sustainability learnings

Financial sustainability: declining EIT funding amount



EIT Funding Amount 2009-2027



# Sustainability learnings

Financial sustainability: declining EIT funding rate

	Start-up	Ramp up	Maturity	Exit from grant
Years	1 - 4	5 - 7	8 - 11	12 - 15
EIT Health	2015-2018	2019-2021	2022-2025	2026-2029
EIT funding rate*	Up to 100%	Up to 80%	Up to 70%	50% year 12, decreasing 10% p.a.

*EIT Funding Rate in the draft SIA 2021-2027 (as proposed by EC) (\*at portfolio level)*

=> EIT Health has **valuable and unique** activities, but is **not sufficiently sustainable**

# Why EIT Health 2.0?

- EIT Health has ***delivered*** and built a strong network
- Along a steep learning curve, EIT Health has ***matured*** as an organisation
- Focus has been on ***growth*** (although fragmented) and getting operations right
- Points for ***improvement*** have been identified: managing platforms/facilitation effectively, scaling education, delivering impact by transforming healthcare systems

=> **time for strategic integration and consolidation**

- Stakeholders and governments are ***updating*** their strategies (e.g. Horizon Europe)
- EIT Health's network is able to create economic and societal ***impact*** in a changing environment (e.g. COVID-19 pandemic has ***accentuated relevance*** of EIT Health)

=> **time to pro-actively review value and uniqueness of contribution**

# EIT Health 2.0

## Scope

Support *transformers* in building and scaling high-value solutions  
Provide economy with knowledgeable and capable *professionals*

Support *entrepreneurs* in building and scaling companies

**Education and training**

**Transform healthcare systems through high-value solutions**

**Build and scale healthcare companies**

## Goals



# Why should industry commit to EIT Health 2.0?

Access to network and community, increased visibility

Access to talent: change-agents for building and scaling high-value solutions / knowledgeable and capable professionals (e.g. continuous medical education)

Cost efficiency

Better market access (scale)  
faster implementation (de-risk)

Lower threshold (e.g. compliance) + incentives for collaborations / partnerships with SMEs and hospitals

Sharing knowledge and data (faster decision making)

**Transform healthcare systems through high-value solutions**

Trusted environment for B2B collaboration | seeds of new markets and partnerships | unmet needs satisfied by entrepreneurial innovation | start-ups originate from industry (spin-outs) | start-ups grow through assets and platforms sourced by industry

**Build and scale healthcare companies**

**Education and training**

# Why should healthcare providers and payers commit to EIT Health 2.0?

Access to network and community, increased visibility

Access to talent: change-agents for building and scaling high-value solutions / knowledgeable and capable professionals (e.g. continuous medical education)

Cost efficiency | process efficiency  
Citizens & patients impacted (QoL)  
validate new processes and models

Lower threshold (e.g. pre-arranged contracts) + incentives for collaboration with SMEs and industry  
Sharing of knowledge and data (better decision making)  
cross-border (and regionalised) scaling of solutions

**Transform healthcare systems through high-value solutions**

Trusted environment for co-creation (e.g. sharing tools and data) | collaboration with new players to address key challenges and unmet needs | explore incentives for faster adoption (e.g. innovative procurement) | start-ups originate from health care providers

**Build and scale healthcare companies**

**Education and training**

# Why should start-ups and scale-ups commit to EIT Health 2.0?

<p>Access to network and community, increased visibility</p>	<p>Access to potential first customers for solutions</p> <p>Access to knowledge and data</p>	<p><b>Transform healthcare systems through high-value solutions</b></p>
<p>Support in building and scaling companies e.g. high-quality targeted training on IP, investor-readiness, attracting and scaling staff, co-creation in B2B or B2C setting...</p>	<p>Access to market and finance accelerated growth</p>	<p><b>Build and scale healthcare companies</b></p>
<p><b>Education and training</b></p>		

# Why should universities and research org. commit to EIT Health 2.0?

Design, integrate and scale-up education  
Access to network and community,  
increased visibility  
Educate change-agents for building and  
scaling high-value solutions /  
knowledgeable and capable professionals  
(e.g. continuous medical education)

Engine of healthcare transformation  
Sharing knowledge and data  
Validate new processes and models  
Lower threshold + incentives for new collaborations / partnerships with start-ups and industry

**Transform healthcare  
systems through  
high-value solutions**

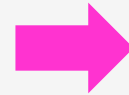
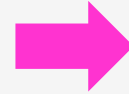
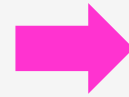
Unmet needs satisfied by entrepreneurial innovation | seeds of new markets and partnerships | start-ups originate from universities | start-ups grow through tools and platforms sourced by universities | trusted environment for collaboration

**Build and scale  
healthcare  
companies**

**Education and training**

# Organisational Transformation

Current modus operandi
<b>Pillar-based</b> approach (inducing fragmentation and limited alignment)
<b>Misalignment</b> impact-strategy-operations
<b>Reactive</b> relation EIT-EIT Health-EIT Health partners
<b>One</b> legal entity fits all purposes



Future strategy
<b>Activity-based</b> approach (internally served by operational units)
<b>Aligned</b> direction, operations, support (CRM), control and organisational behaviour
<b>Proactive</b> alignment EIT, EIT Health partners, stakeholders
<b>Dedicated</b> vehicle (e.g. GmbH) to achieve specific goals (e.g. financial sustainability)



# Strategy review

Timeline set by EIT and by calls

## Strategic Agenda (spans 3 years)

- End June 2020: submission (draft) to EIT
- End July 2020: endorsement by Supervisory Board, feedback provided by EIT
- Mid September 2020: endorsement by Partner Assembly
- September 2020: submission to EIT

## Business Plan (spans 1 year)

- BP 2021 is intermediate, BP 2022 must be transformative
- Call 2022 is launched end 2020 and defines work until end 2024
- Call 2022 is developed side by side with the Strategic Agenda



**March-May: development | May-June: consolidation | June-Sept.: implementation**

# Lines of transformation

# Strategy review

## Structure

### Lines of transformation

1. High Value Care projects
2. Start-up journey
3. Education portfolio
4. Connectivity platforms

### Impact framework

1. Internal alignment (impact/strategy/operations)
2. External alignment (e.g. expected impact)
3. Challenges, achievements

### Organisational models

### Strategy Document

1. Societal Challenge
2. Vision, Mission, Goals
3. Impact, Results
4. Governance, Operations
5. Risks

# Line of transformation #1

## High Value Care projects

# EIT Health 2.0

## Scope

Support *transformers* in building and scaling high-value solutions  
Provide economy with knowledgeable and capable *professionals*

**Transform healthcare systems through high-value solutions**

Support *entrepreneurs* in building and scaling companies

**Build and scale healthcare companies**

**Education and training**

## Goals



# Healthcare systems: unique role of EIT Health

Leadership and cooperation across value chain

Leverage EIT Health's diverse and networked partners **representing value chain** to:

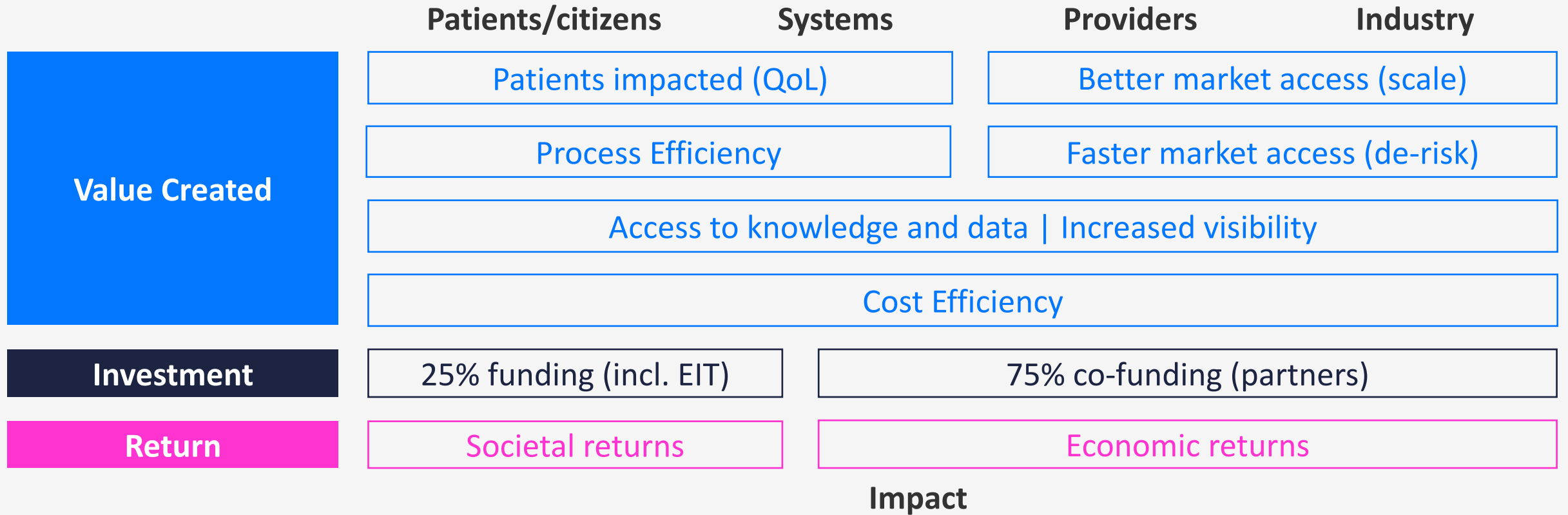
↑ Refocus on **projects that change the way healthcare is delivered** (systemic, organisational and behavioural level) through high-value healthcare solutions by setting the right targets and applying the right mechanisms (e.g. reimbursement)

↑ **Measure, benchmark and compare** against quality indicators and performance targets (e.g. clinical outcomes, avoidance of death or morbidity, reduced/avoided hospitalizations, patient- and citizen-driven indicators).

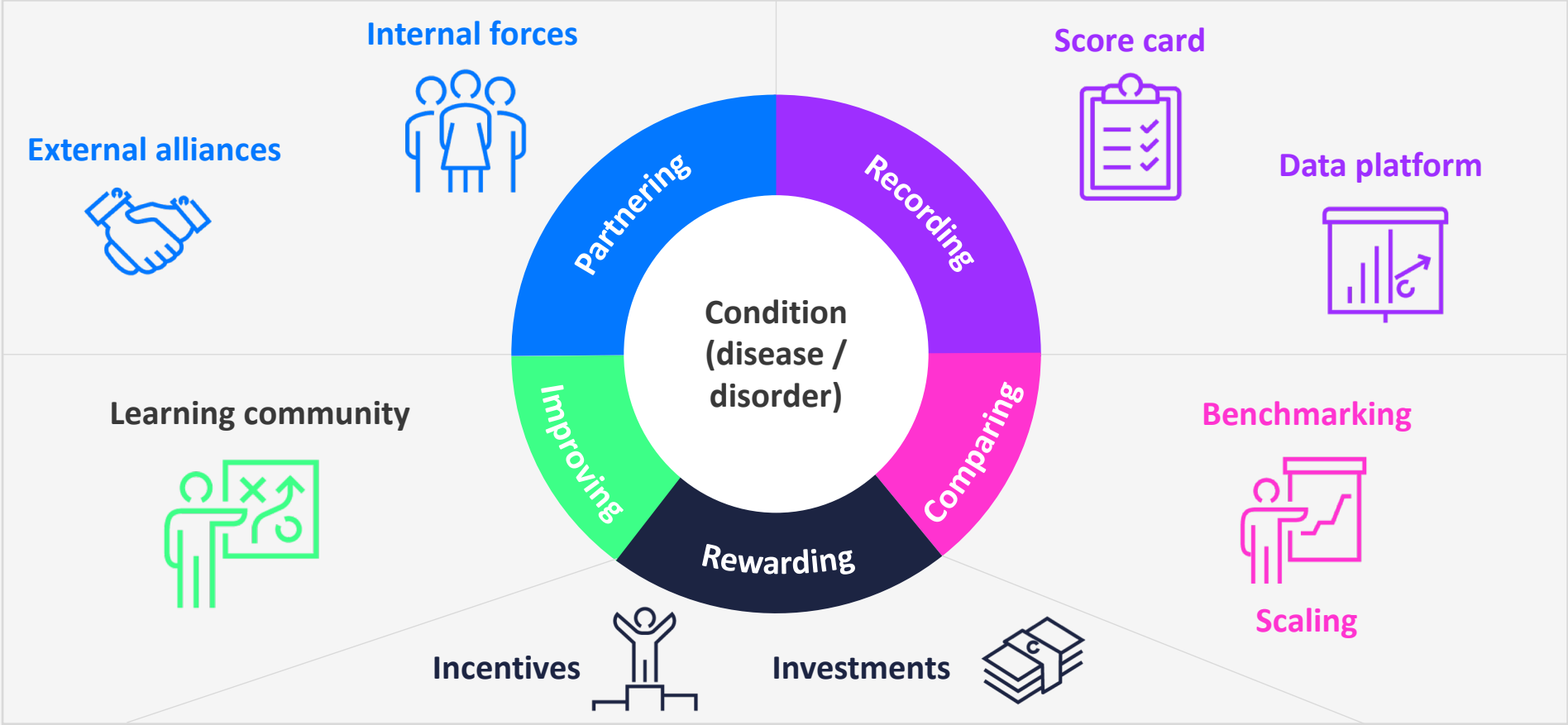
↓ Move away from projects focussing on research and/or **technology development**

+ Become **financially sustainable** with co-funding model demonstrating societal and economic impact

# Value proposition & RoI

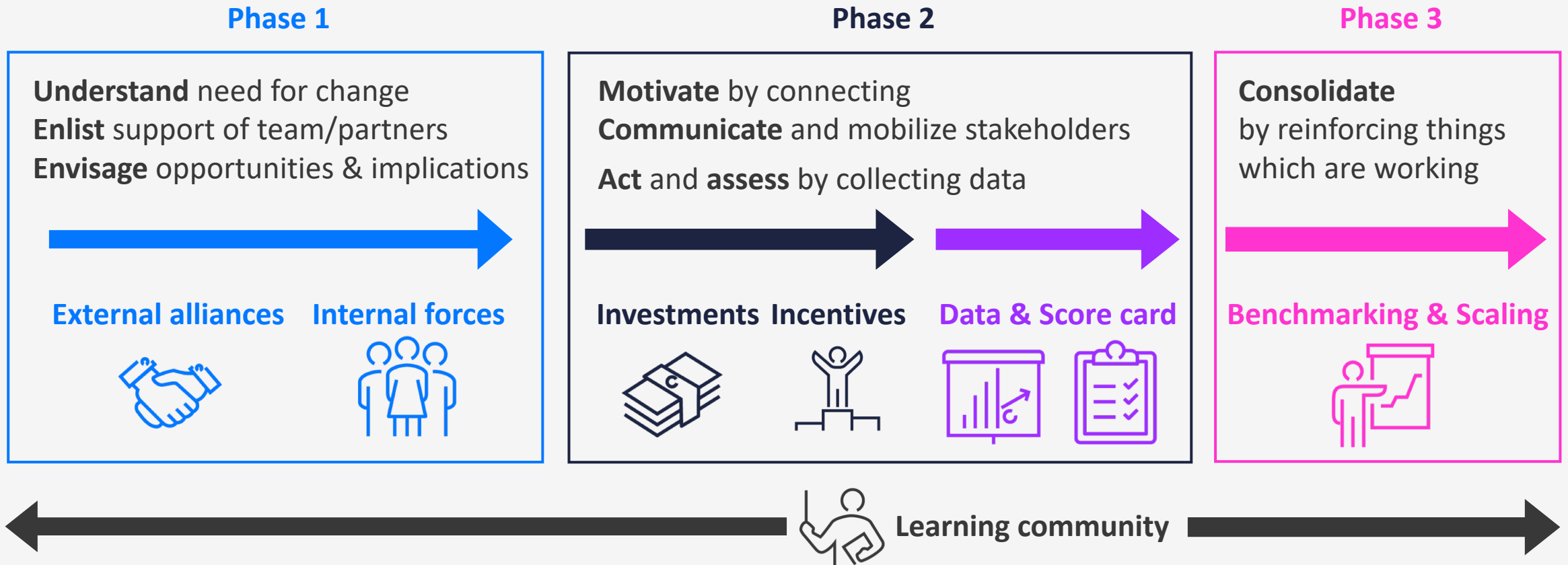


# High Value Care Framework

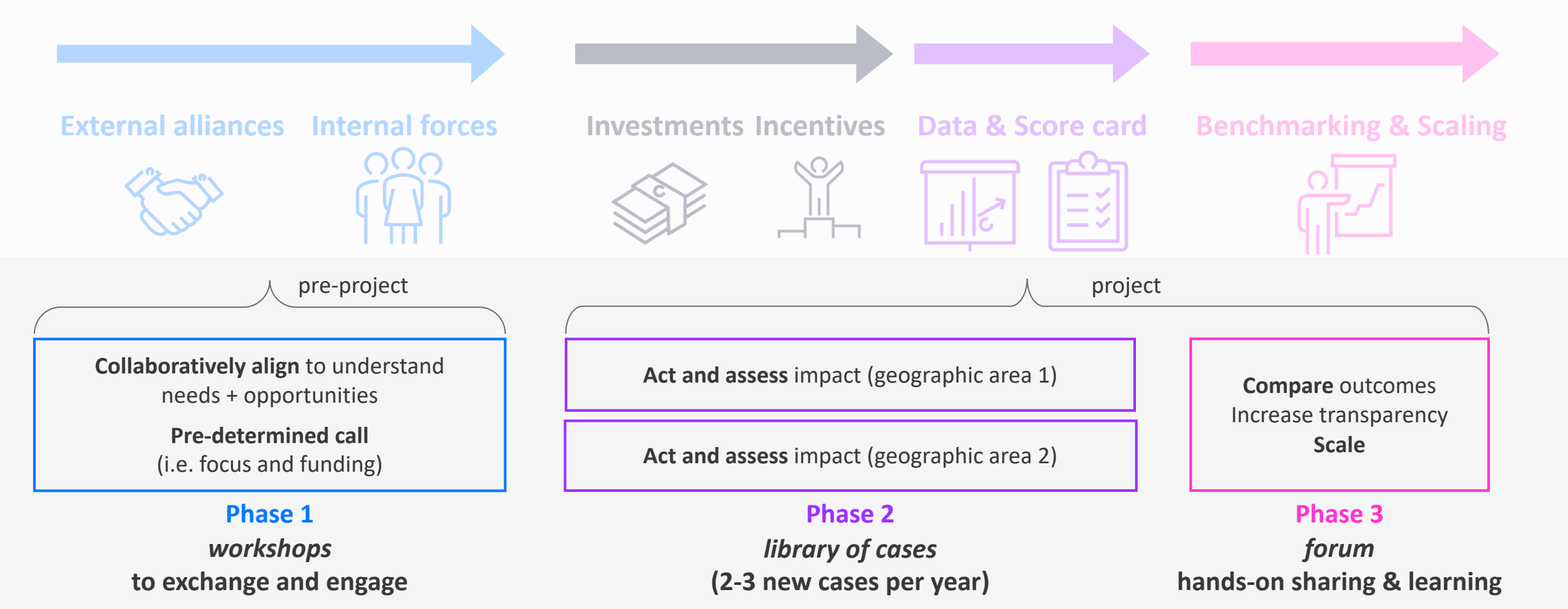




# High Value Care projects: process



# High Value Care projects: workflow



# How could projects be ...

## ... initiated?

- Approach = collaborative alignment to **understand needs** and to envisage opportunities & implications (combination of **top-down** and **bottom-up**)
- Format = workshops to exchange and engage (e.g. High Value Care forum)
- Call = consortia apply to **pre-determined** (i.e. focus and funding) project or program. **Bottom-up** sourcing of talent, skills, etc. with **higher success rates**

## ... executed?

- **Hands-off** (e.g. funding) or **hands-on** (e.g. place 'change managers' in projects, paid full time by EIT Health)
- **Annual business planning** to provide opportunity to 'refresh' consortium and tasks in line with the project's evolution

## ... financed?

- **Aim for 75/25** Co-funding by partners / funding by EIT
- Match **H2020/HE terms?** (i.e. different reimbursement rates per partner type)

# Line of transformation #2

## Start-up Journey

# EIT Health 2.0

## Scope

Support *transformers* in building and scaling high-value solutions  
Provide economy with knowledgeable and capable *professionals*

**Transform healthcare systems through high-value solutions**

Support *entrepreneurs* in building and scaling companies

**Build and scale healthcare companies**

**Education and training**

## Goals



# Why Change?

- + By connecting regional/national ecosystems and partners' networks, a strong ***international ecosystem*** has been built.
- + Up to now the focus has been on ***growth*** and getting operations right (e.g. central database for applications and enrollment of startups).
- Points for ***improvement*** have been identified:
  - ***Tracking success*** and keeping connections to fragmented portfolio of start-ups
  - Fostering interaction between ***partners*** and startups
  - Contributing to ***sustainability***
  - ***Aligning*** across programs to maximize impact



# Ambition

- **Small portfolio of startups** ('scale-up track') get access to dedicated resources which allow them to thrive and reach better and faster results
- **Trusted environment** (with focus on lasting relationships) where partners (e.g. industry) work closer together with startups
- Investor community benefits from **hands-on** "soft investor" (EIT Health)
- EIT Health ecosystem significantly **de-risks** start-ups by supporting them in a more comprehensive way, and by systemically providing relevant connections to ecosystem
- Start-ups contribute to EIT Health **sustainability**



# How to enter the scale-up track?

- Startups (in part scouted through partners or CLCs) **apply to open call**
- 5-10 startups selected through **quarterly pitch event** (pre-selected companies pitch in front of European selection board, consisting of partner representatives, management, experts, investors ...)
- European Health Catapult and WildCard winners get **fast-track**
- Newly entered startups are supported by **key account manager** (KAM), work closely with **strategic lead mentor** and receive 50k€ grant/voucher
- Startups provide **1% options** to EIT Health (to buy shares at specified future financial events corresponding to participation of 1% on fully diluted basis).
  - option buy price for pre-seed companies = corresponding share of nominal capital
  - for all others = post-money valuation in latest investment round before program start








# What happens in the scale-up track?

- Deep Dive assesses **potential and needs** of startups. Domain experts (e.g. from partners) with different backgrounds assess needs (e.g. feasibility, business model, legal and regulatory hurdles ...). Decision which **programs** startup will have access to.
- Depending on the selected programs or activities, the startup:
  - launches a **collaborative project proposal with EIT Health partners**; it receives a grant of up to 500K€ (plus additional grants for involved partners) or gets access to clinical data through Biobanks and Registries
  - benefits from **applied hands-on training** + dedicated mentoring / coaching from experienced top mentors (e.g. individuals at partner organizations)
  - explores and enters **new markets**, supported by CATalyzers (Clusters, Accelerators & Incubators)
  - has privileged access to **finance instruments** like Crowdfunding, Investor network, joint investments with Industry (e.g. EIT Health Corporate Investors) and EIF (VCoE).

# How to exit the scale-up track?

- Startup provides **returns** (options or success fees corresponding to provided grants and support) in addition to the 1% options that apply upon entry. Post-money valuation (e.g. additional financing rounds) is considered.
- After startup has finished current programs or activities, a **re-assessment** together with EIT Health management will take place:
  - If the startup was not compliant or committed, it might have to **leave** the program. Agreed financial returns remain valid.
  - If the startup has succeeded in the programs and convinced through engagement and compliance, a **loop back** into a further deep dive with potential next programs is be agreed upon.
  - If the successful startup cannot benefit from programs anymore, a **graduation** will conclude the journey.

# Value proposition = access to ...

Knowledge	Markets	Stakeholders	Funding	Investors	
					
Applied <b>hands-on training</b> + Dedicated <b>mentoring / coaching</b> from experienced top mentors	Explore and enter <b>new markets</b> , supported by EIT Health CATalyzers (Clusters, Accelerators & Incubators)	Launch <b>collaborative project proposal</b> , with partners. Access to clinical <b>data</b> through partner Biobanks and Registries	<b>50k€</b> for <u>every</u> new startup, <b>2mio€</b> for Wildcard startups, up to <b>500k€</b> for startups in collaborative Innovation projects	Privileged Access to open finance instruments like <b>Crowdfunding, Investor network</b> , joint investments with Industry and EIF ( <b>VCoE</b> )	} <b>Start-ups</b>
Individuals at partner organizations get involved in <b>mentoring tracks</b>	EIT Health Clusters, Accelerators & Incubators <b>connect</b> to strong European startups	Partners benefit from <b>collaboration</b> with most innovative startups in their area	Partners receive <b>funding</b> in collaborative innovation projects with startups	<b>Deal flow</b> for Corporate Investors, Support for university / industry spin-offs	
Startup provides <b>options/ success fee</b>	Startup provides <b>fee</b>	Startup provides <b>options</b>	Startup provides <b>options</b>	Startup provides <b>Success fee</b>	} <b>EIT Health</b>

# Benefit for EIT Health partners

- Unmet needs of EIT Health partners satisfied by **entrepreneurial innovation**
- start-ups **originate** from partners (universities and corporates encourage and support their spin-offs or spin-outs to apply)
- start-ups **provide solutions** to be tested by the partners/partners' network (technologically, clinically or commercially) through the Amplifier model
- start-ups become a **source of revenue** to partners (e.g. scouting clients in new market segments) or an opportunity for investment and future **strategic growth**
- allows partners to 'swim' with startups in EIT Health's trusted environment:
  - start-ups **participate** to programs where partners are involved in the organization
  - start-ups **collaborate** with partners (e.g. Start-up Meet Pharma, Digital Sandbox) seeding new partnerships (e.g. applying together to innovation projects)
  - growth and scale happens **through tools and platforms** sourced from partners

# Line of transformation #3

## Education

# EIT Health 2.0

## Scope

Support *transformers* in building and scaling high-value solutions  
Provide economy with knowledgeable and capable *professionals*

Support *entrepreneurs* in building and scaling companies

**Education and training**

**Transform healthcare systems through high-value solutions**

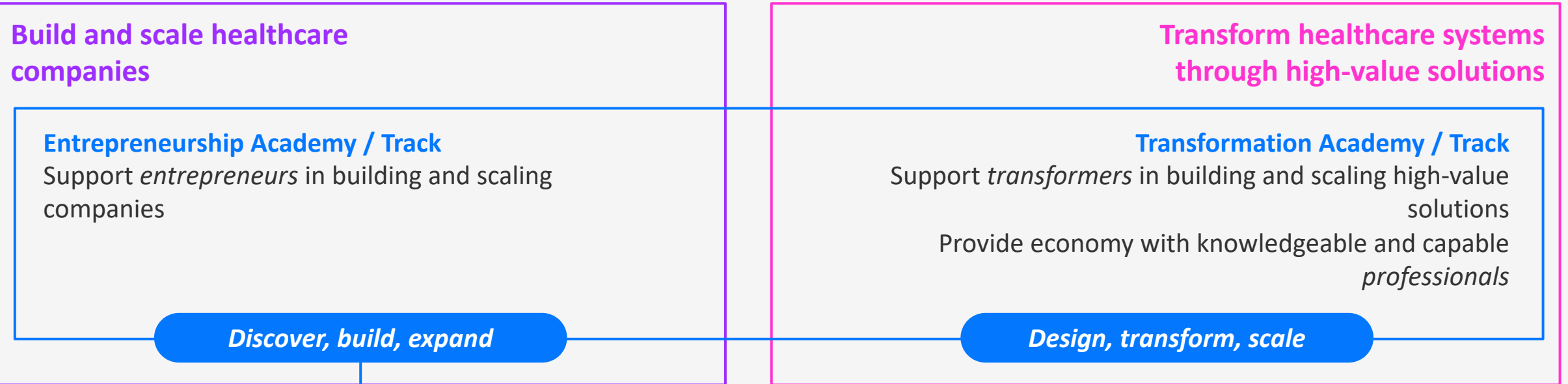
**Build and scale healthcare companies**

## Goals



# Education portfolio

Alignment with scope



**Needs driven** (+ well-timed and well-proportioned)

**Unique** (offer + basis, capitalizing on the unique assets of the partnership)

**Collaborative** and integrated (with 2 objectives, within portfolio, amongst partners)

# Value proposition

## Universities

Design, integrate  
and scale-up  
education

## Citizens & patients

Champions /  
change-agents to  
promote societal  
impact

## Health care providers

Change-agents for building and scaling  
high-value solutions  
Knowledgeable and capable  
professionals

## Industry

## Start-ups

Support in  
building and  
scaling  
companies

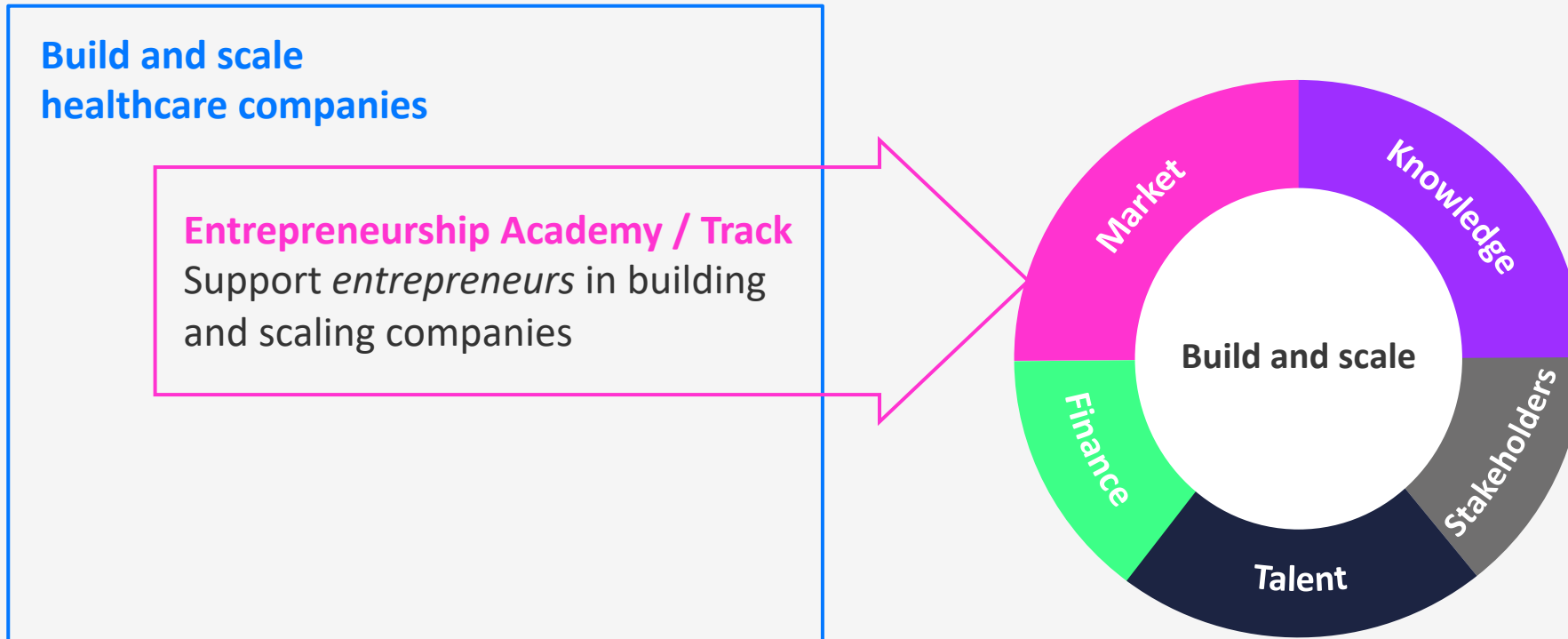
Access to network and community, increased visibility

Access to knowledge and data



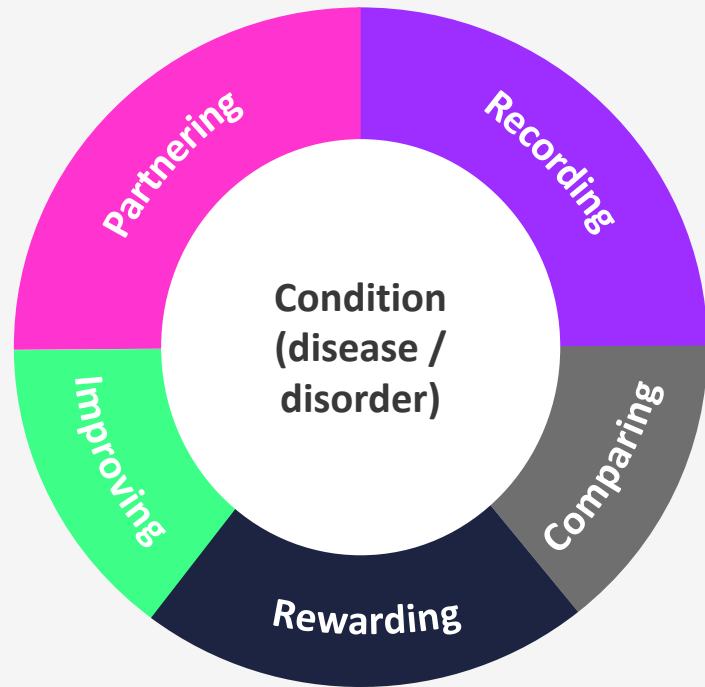
# Education portfolio

Alignment with scope



# Education portfolio

Alignment with scope

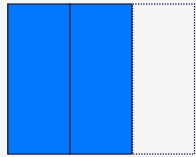


**Transform healthcare systems through high-value solutions**

**Transformation Academy / Track**  
Support *transformers* in building and scaling high-value solutions  
Provide economy with knowledgeable and capable *professionals*

# Formats

## EIT Health Pop-up Courses (short format)



2-3 teaching days (à 8hrs)



Fixed dates



Classroom



Certificate

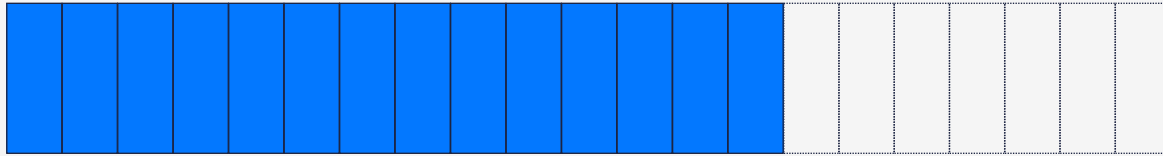


ECTS credits  
optional

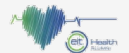


Alumnus

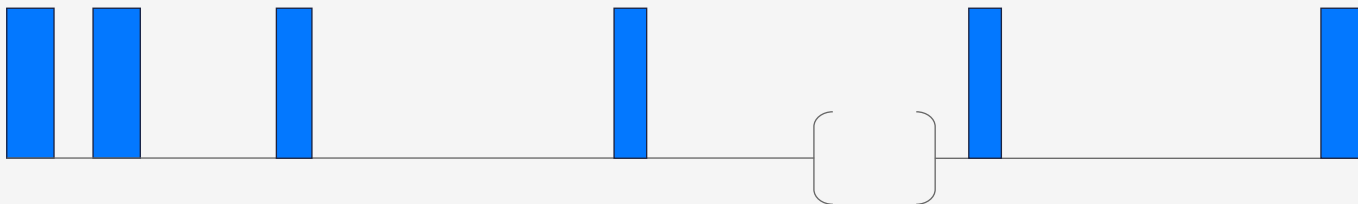
## EIT Health Schools (extended format)



14-21 teaching days (à 8hrs)



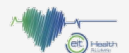
## EIT Health Self-study Courses (distance format)



min. 40 hrs self-paced learning



optional



# How are programs...

## ... initiated?

- Driver = **needs** of start-up journey and of healthcare transformation (project and portfolio level, transformers and professionals)
- Approach = **collaborative** alignment to understand needs and to envisage opportunities & implications
- Call = consortia apply to **pre-determined** (i.e. focus and funding) project or program

## ... executed?

- Partners run courses/provide **content** or faculty
- EIT Health takes lead in **marketing**, contracts the learners, takes care of **administration**
- EIT Health offers a 'package' that may be delivered by several partners

## ... financed?

- **Co-funding** and/or **fees** and/or **sponsoring** (balance depends on program and on (national) regulation)
- **Level** of sustainability depends on program
- Few activities become **sustainable** through the programs they support (e.g. entrepreneurship); others become **self-sustainable**.

Limited # of pre-defined options

**Continuous** process, offering **stability**

# Line of transformation #4

## Connectivity Platforms

# EIT Health 2.0

## Scope

Support *transformers* in building and scaling high-value solutions  
Provide economy with knowledgeable and capable *professionals*

**Transform healthcare systems through high-value solutions**

Support *entrepreneurs* in building and scaling companies

**Build and scale healthcare companies**

**Education and training**

**Connectivity platforms**

## Goals

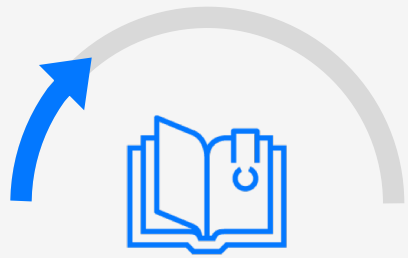


# Platforms: challenges and ambition

- 1 Not clear which connectivity platforms we have (+ their status)
  - ➔ **Overview** of platforms (existing, developing, envisaged + metrics)
- 2 Value for partners / engagement of partners is unclear
  - ➔ **Business case**: partner value & engagement
- 3 Connectivity platforms apply 'needle in haystack' model: everything for everyone
  - ➔ Need/offer at **individual level** for each platform
- 4 Connectivity platforms do not integrate with data platforms, or with each other
  - ➔ Integrate cross-platform **ecosystem intelligence**

Top performers are distinguished by taking a clear advantage on data (La Valle 2011)  
Knowledge-flows have a nonlinear impact on firm performance (Erden 2014)

# EIT Health network connectivity



Access to  
knowledge



Access to  
market



Access to  
stakeholders



Access to  
finance



Access to  
talent



# Approach

Phase 1: two high-value *cases* (covering all challenges)

## Phase 1 | Case 1

Health Data  
platform



Access to  
**knowledge**



Access to  
**talent**

## Phase 1 | Case 2

Talent  
marketplace

Phase 2: *scale cases* to cover blind spots

Phase 3: scale *methodology*

# Health Data Space: need of partners

We are not interested in building an isolated data space. The goal is to **build trust** in a network of partners.

We conduct clinical studies but need **consumer data**. But there are no datasets available, our field is a niche market.

There is a lot of **uncertainty** with data sharing - what is allowed, what not? Here legal consulting could be helpful.

I expect EIT Health to be more than a partner aggregator - it should take the role of a **legitimate data set curator** facilitating data exchange

# Health Data Space: value

## For *partners*

- Data match-making (potentially as part of project)
- Better and faster market access and scaling across Europe
- EIT Health as trusted operator (+ balanced give-and-take ratio)

## For *start-ups*

- Access to key data for technology validation and market expansion

## For *EIT Health*

- Position EIT Health a facilitator in healthcare ecosystem
- Contribute to sustainability

+ Platform is valuable *communication tool* for EIT health partners

# Talent marketplace: need of partners

## Industry Partner 1

We **struggle to attract young talents**. We recruited a Campus Manager but it is not enough. **We need a tool** to resolve this problem.

## Industry Partner 2

We are really interested in a **global platform**, which gives an **attractive message of the life-sciences industry** and benefits the ecosystem.

## Academic Partner 1

We want to **boost the attractiveness of Life-Sciences** industry for our student pool. We need **easier connections** with the industry.

## Academic Partner 3

We need to recruit profiles with **deeper business skills** from other sectors to **support the transformation** of our industry. We cannot manage this challenge alone.

# Talent marketplace: value

## For *partners*

- Services provided => continue/strengthen engagement

## For *start-ups*

- Continue growing with EIT Health support

## For *EIT Health*

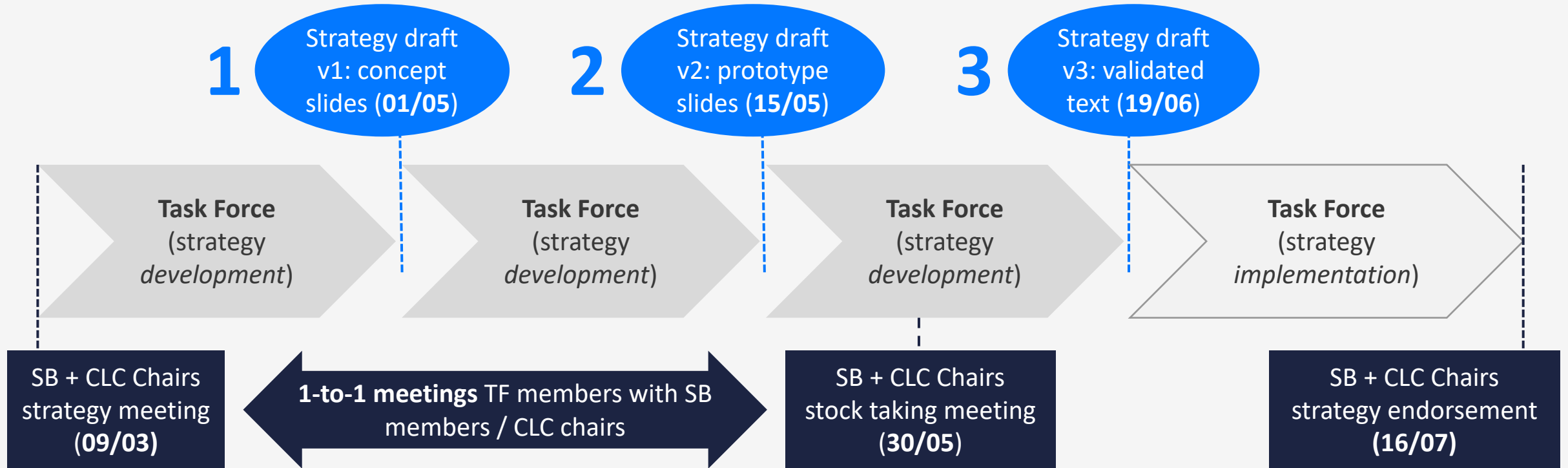
- Position EIT Health a facilitator in EU-wide challenge to the healthcare ecosystem
- Business intelligence (need, skills, jobs) for targeted education
- Contribute to sustainability

+ Platform is valuable *communication tool* for EIT Health and EIT health partners

# Next Steps

# Planning of content build-up + involvement SB/CLC chairs

For all four lines of transformation



# Key hypotheses (to be validated)

## Build and scale healthcare companies

1. **Top start-ups** only (across all programs)
2. **Start-up** based (not program-based)
3. Start-ups **contribute** with fees / options

## Transform healthcare systems through high-value solutions

1. **Change** way healthcare is delivered (+ scaled)
2. **Measure** and benchmark (QoL, cost, speed...)
3. Value for and **co-funding** from partners (75%)

## Entrepreneurship Academy / Track

Support *entrepreneurs*

1. **Focus:** entrepreneurship + transformation academy
2. **Pre-defined** call (focus and budget)
3. **Sharing** (financial) risks and benefits

## Transformation Academy / Track

Support *transformers* - capable *professionals*



# Interaction: tools

## Landing platform

- **Information:** partners and staff follow progress (3 major intermediate updates)
- **Consultation:** partners and staff consulted online (3 times); results published (e.g. weekly)
- **Timeline:** ideation and validation (mid-April – mid May), consolidation (mid-May - mid June)
- **Format:** webpage

## Townhall meetings

- **Information and consultation:** meetings (Q&A webinars, per target group)
- **Timeline:** set by CLC and pillar directors (dates published on platform)
- **Format:** depends on target group: staff (general & pillar teams), partners at CLCs, investors,...

## Individual meetings (+ small engagement meetings)

- **Partners** (and individuals) to reach out to directors
- **Timeline:** set by CLC directors and pillar directors
- **Format:** small meetings with Jan-Philipp/Bart and relevant director