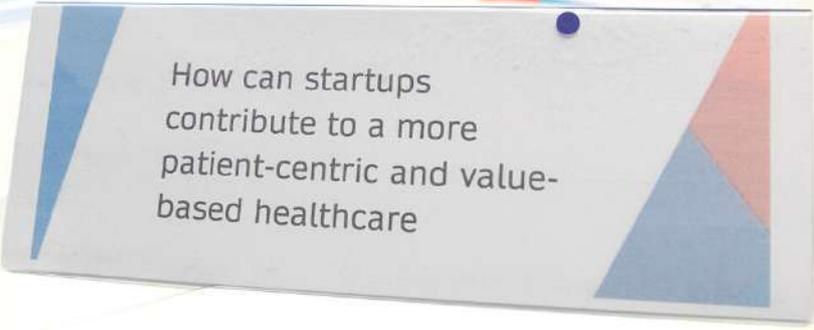


EVENT REPORT - STARTUPS IN THE EUROPEAN HEALTHCARE ECOSYSTEM & EU POLICY

How do startups contribute to creating patient-centric and value-based healthcare systems in Europe

19th November 2019 - Microsoft Innovation Centre, Brussels





How can startups
contribute to a more
patient-centric and value-
based healthcare

INTRODUCTION

In a **challenging environment and current healthcare ecosystem**, it is crucial to encourage and enable the development of innovation that helps address sustainability issues and increase patient adherence and empowerment. Digital startups are key to help bring about this development.

To bring this topic to the table and involve all the relevant stakeholders, the **European Health Management Association (EHMA) teamed up with Allied for Startups DTx (AFS DTx)** to organise a **multi-stakeholder workshop**, centred around the question, “How do startups contribute to creating patient centric and value-based healthcare systems in Europe?”.

The event brought together different stakeholders, including policymakers; industry; startups and entrepreneurs; civil society organisations, including patients’ organisations and hospitals and associations representing hospitals. All these stakeholders voiced their concerns and expressed how they hope to contribute to the uptake of new technologies and digital solutions developed by startups that are transforming healthcare.

Among these contributions were the need for **collaboration, co-creation and communication between different stakeholders**; making **regulation more harmonised and easier to navigate** for startups; aiding **startups** in demonstrating their **added value**; providing them with more joint funding opportunities; **changing the “curing” mindset towards a “preventing” one**; and finally, helping startups access **data** to improve their respective solutions.

SESSION I: FOOD FOR THOUGHT - HIGHLIGHTS FROM PRESENTATIONS BY KEY STAKEHOLDERS

Foreword by George Valiotis (European Health Management Association) - Moderator

George Valiotis, Executive Director of the European Health Management Association (EHMA) and Moderator of the workshop, opened the day by highlighting EHMA's interest in bringing together all stakeholders involved in healthcare, traditional and new, to facilitate exchange of views and foster better understanding of common challenges and solutions. Mr Valiotis stressed how, only through collaboration and multi-stakeholder interaction, all the actors driving innovation in healthcare can come together to jointly move towards future-proof and sustainable health systems.



Anna Sobczak, Policy Officer for Clusters and Emerging Industries (European Commission, DG GROW) opened the first phase of the workshop with a presentation focused on “How to use clusters to support startups innovation?”. Ms Sobczak outlined the different options to exploit the clusters supported by the European Commission. As examples, Ms Sobczak shared how stakeholders can use clusters as intermediaries to channel support in innovation by focusing on SME, achieving cross-regional and cross-sectoral cooperation, making processes equity-free and bureaucracy-free, and bridging innovation.

Out of 18 clusters supported by DG GROW, 7 of them are in healthcare, underlining the European Commission's commitment to help develop health startups. Ms Sobczak also shared concrete examples of EU-funded projects of interest for startups such as Innolabs, Cross4Health and DigiBCube, all of which fit in a broader system of hackathons and other calls for proposals, providing key resources to support the development of startups.



Following the intervention from Ms Sobczak, **Natalia Zylinska-Puta, Policy Officer (European Commission, DG Sante)** shared additional insights from DG Sante’s work on “Cross border sharing of health data - ePrescriptions & Patient Summaries; Rare diseases.” During her intervention, Ms Zylinska-Puta focused on the health data changing environment, current examples and future perspectives. In particular, Ms Zylinska-Puta highlighted how, just ten years ago, EU Member States did not have the infrastructure to collect health data or have ePrescriptions. Today, ePrescriptions are being used in 22 countries – along with cross-border collaboration examples – as well as digital sharing of lab results and efficient data dissemination. These were presented as examples of how proper funding, collaboration and scale up of technology can be beneficial in healthcare. Ms Zylinska-Puta also stressed the need for constant innovation in eHealth to face the rapid pace of technology obsolescence and to drive towards sustainability in our health systems.



After the presentations from European Commission representatives, the event featured two examples of industry-led initiatives in the field of digital health, startups and health data. On this last topic, **Petri Lehto, Director of Policy and Communication at MSD Finland** focused on how health data is compiled both before and after a medicine is launched, even towards the end of the life cycle of a medicine. This is why we need access to health data—we can all benefit from it. Mr Lehto then presented Finland’s initiative **FinData**, which sees the involvement of MSD. FinData allowed for the creation of a new data permit authority which will start operating at the beginning of 2020. The initiative will guarantee an easier and more organized access to health data and therefore, a more accurate creation and follow-up of medicines.

Angel Martin, Director of Government Affairs and Policy (Medical Devices, EMEA) at Johnson & Johnson, started his intervention by stressing how industry and entrepreneurs’ needs are strongly interconnected and how they both need each other to achieve innovation in healthcare. On one side, industry needs innovation, flexibility and cost savings; on the other, entrepreneurs require infrastructure, capital and additional expertise. To facilitate collaboration, Johnson & Johnson developed **JLABS**, a global network of open innovation ecosystems, enabling innovators to create and accelerate the delivery of life-saving, life-enhancing health and wellness solutions. JLABS has collaborated with 600+ companies and offers a no-strings-attached model, which means entrepreneurs are free to develop their science while holding on to their intellectual property.



Following the interventions from Mr Lehto and Mr Martin, the audience heard from **Layla McCay, International Director at NHS Confederation**, thanks to her video message “How to get it right – Putting policy into practice for safe data-driven innovation in health and care”. Ms McCay presented the most recent activities from NHS’ side, with a particular focus on the NHSx initiative through the NHS AI Lab, a key resource that startups can use when dealing with Artificial Intelligence issues. Ms McCay shared how the NHS is currently helping develop an AI code of conduct that includes ethics and safety. We are also centering on achieving algorithmic explainability and enhancing and enabling data-sharing schemes.

Anna-Maria Henell, CEO at Disior, concluded the first part of the day presenting the Allied for Startups one-pager “Tackling the regulatory pain points of digital health startups in the EU”. Ms Henell shared with the audience the key points from the document, starting with how startups can start taking advantage of the access to EU single market in the form of innovation and funding opportunities. Another key point is the need to achieve harmonisation of regulation across Europe to create a framework that is more user-friendly and less time and resource consuming. Ms Henell also shared the need for common European data space and practical guidance and networking; peer to peer and with big companies and policymakers.

SESSION II: GETTING DOWN TO BUSINESS – WORKSHOP ROUNDTABLES SESSION

Following the stakeholder presentations, the event hosted a Workshop Roundtable Discussion. This highly interactive session was organised in roundtables with five different topics concerning startups and the different challenges they face. Each table brought together a balanced mix of the diverse stakeholder categories in the room. This gave space an exciting exchange of views aimed at fostering a better common understanding of shared challenges, potential solutions and innovative collaboration opportunities.

The five groups focused on:

- **Table 1: How can startups contribute to a more patient-centric and value-based healthcare?**
- **Table 2: Market access and financing**
- **Table 3: Impact of EU digital and health regulations on health innovation**
- **Table 4: Existing barriers and enablers to disruption in healthcare**
- **Table 5: How to enable better cooperation between startups and other healthcare actors?**



The different tables analysed their respective topics based on five different categories: primary focus, key concepts, challenges, solution proposals, and commonalities /collaboration opportunities. After thorough deliberation and debate, the different tables presented their findings to the rest of the groups. Not surprisingly, most of these findings revolved around the startups’ **“pain points”**.

The main finding from **Table 1** was that, even though health startups have a **demonstrated value in improving patients’ quality of life**, they **struggle to prove their added economic value in the healthcare ecosystem to financial stakeholders**. They expressed that a solution to this could be to create pathways to help startups design a value proposition so that they are more ready to pitch it to other stakeholders, such as insurance companies and hospitals.

Table 2 identified some challenges at the **market access and financial level**. These challenges included **fragmentation at the national, EU, and even hospital level** and the **lack of access to funding, partners, and mentors**. As opportunities, they proposed the possibility of collaboration with **clusters**, providing joint funding for better market access and co-developing projects (startups + hospitals, government, and patients).



Table 3 elaborated on the **impact of EU digital and health regulations on health innovation**, explaining the challenge and uncertainty of GDPR and new medical device regulation. They expressed the need for a **more organic process for providing feedback and inputs** on these regulations and how to ensure safety, privacy and security while doing so. A solution for this could be to pool resources into developing **homogeneous EU regulation** that can be applied at national and local level instead of each country developing their own regulations, which is time and resource consuming.

The group on **existing barriers and enabling disruption of healthcare**, **Table 4**, also emphasized the **difficulty of complying with regulation**, especially as a startup. They suggested to make the process more **transparent, unbiased, and easier to navigate**, and taking into consideration that meeting these standards can be quite costly. This group also expressed **safety in data sharing as a priority**, advocating to give people more governance over their data. Finally, they added the need for support from the government and insurance sectors for startup reimbursement.

The final group, **Table 5**, had the topic of how to **enable better cooperation between startups and other healthcare actors**. They started off with the idea of “**innovation coffees**,” a cost-saving way in which once a month, startups can **pitch their projects to hospitals and patients and receive direct feedback from them**. Another solution they came up with is to **co-create and collaborate with health economists** to ensure that startups are communicating their economic value effectively to stakeholders. Finally, they added how crucial it is to bring to the attention of EU decision-makers the legislative or policy framework that works in some countries (e.g. sharing best practices that could increase recognition of the role that startups play and the need to facilitate them access to markets. They used the example of Germany, and how it has started allowing reimbursement for digital startups. The group encouraged other countries to emulate Germany in this way.

THE WAY FORWARD – RECOMMENDATIONS FROM THE WORKSHOP

The Allied for Startups and EHMA event on “Startups in the European Healthcare Ecosystem & EU Policy” undoubtedly brought significant learning outcomes. After thorough brainstorming and discussion among the present stakeholders, there were several opportunities, needs and common trends identified for the future. We can summarise the main ideas from the day in six key ‘building blocks’ for improved, digital and startups-ready health ecosystems:



Enable **cooperation**, foster **co-creation** and enhance **communication** between startups and health stakeholders



Support startups in **demonstrating their added value to all stakeholders**, both in terms of value to patients and **economic value**



Make **regulation**, from GDPR to medical devices, more **harmonised**, **transparent**, **easier to navigate**, **smarter** and **adaptable** to the pace of innovation to better support startups’ development and scale up



Change the mindset from cure to prevention while driving the **reform of our health systems** towards an evidence-based, sustainable and innovation-ready environment



Ensure data sharing safety, improve **access** to public data and foster measures to encourage **private data sharing**



Develop new platforms and ad-hoc clusters to organise and facilitate engagement between startups and other health stakeholders

QUOTES FROM THE DAY

Melike Janine Sökmen (Allied for Startups) - Interview Link

“Collaboration is the most important thing that’s necessary within the healthcare ecosystem in the EU”



Nilsy Desaint (MSD) - Interview Link

“It’s not only about helping startups in developing their solutions, but also how we can better equip the whole ecosystem to fully grasp the potential of digital health”

Hans Danneels (Byteflies) - Interview Link

“‘Just jump in the pool and start making solutions’. Go to patients, go to hospitals, work together with different stakeholders, and while we’re doing it, we show we can have impact, that we can actually make a difference and scale afterwards as well”



Angel Martin (Johnson & Johnson) - Interview Link

“We value the power of startups to bring and break through innovation into the healthcare ecosystem, and as such, we actually believe it’s really important to provide them with support, and we channel that through JLABS.”

Anna-Maria Henell (Disior) - Interview Link

“Collaboration between different stakeholders is actually going to be the key for everything, and we need to have a common mission to do things that are best for the patient, so that should be the motivation between all the stakeholders”



Ion-Georghe Petrovai (Freshblood) - Interview Link

“It’s important to have bottom-up innovation –which is brought by the startups– meet with the top-down support and strategy in order to help change healthcare to actually make an important difference on our lives”

**Door Vonk (Tired of Cancer) - Interview Link**

“I like to meet other startups; I like to meet patient groups and other participant stakeholders because we need each other to bring this further”

Beth Wolff (Brain+) - Interview Link

“The issues that we face as startups are the ability for us within the GDPR and medical device regulations to be able to have more openness and clarity about what exactly these regulations are”

**George Valiotis (European Health Management Association) - Interview Link**

“We wanted to bring all stakeholders together today so that we can start to build a common language and learn from each other on what more can be done to make the environment better for citizens by enabling innovators to do their job at their best”

ADDITIONAL MATERIAL

- [Video Recap](#)
- [Interviews with participants \(playlist\)](#)
- [Presentations](#)
- ['Tackling the regulatory pain points of digital health startups in the EU' by Allied for Startups](#)
- [Photo Album](#)





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