

# Annual Report 2019



# About ANDHealth

ANDHealth is Australia's only organisation dedicated to providing programs designed specifically to address the unique commercialisation challenges faced by digital health companies.

ANDHealth was incorporated to address an identified gap in the Australian innovation landscape: to provide programs and support to digital health companies specific to the challenges of commercialising in this new and emerging sector.

Our unique non-profit, industry-led model supports Australian digital health companies to navigate the commercialisation pathway to institutional investment and international market entry.

Created by a consortium of partners led by the Murdoch Children's Research Institute in 2017, ANDHealth's Members comprise Murdoch Children's Research Institute, Novartis Pharmaceuticals, RMIT University, Planet Innovation, Curve Tomorrow, Allens, Potential(x), HealthXL, AusBiotech and HPM Executive.

This Member network represents a unique multi-sectoral, multi-disciplinary group which works collaboratively across ANDHealth's operations to support and deliver our programs and services.

Alongside our Corporate Members, we also recognise and appreciate the support of our Program Partners, MTPConnect, LaunchVic and Amazon Web Services. We also recognise the ongoing contribution of our nationwide network of Ecosystem Development Partners.

## Ecosystem Development Partners



## ANDHealth+ Cohort Companies

FY2018



FY2019



# Contents

Key Highlights	2
Managing Director's Report	3
Our People	6
The Story So Far (May 2017 to June 2019)	8
Milestones & Achievements	10
ANDHealth+ Program Overview	12
ANDHealth+ Alumni Testimonials	14
B.R.I.G.H.T Digital Health Program	16
Office Hours	19
Strengthening the Digital Health Ecosystem	20
International Delegations	24

## ANDHealth Members



## Supporting Partners



# Key Highlights



ANDHealth+ cohort company achievements since October 2017 include:

- **28,590 patients served**, demonstrating the real-world impact of successful growth of our digital health companies
- **1 successful exit** – DoseMe to NASDAQ listed Tabula Rasa
- **\$15.8M in non-dilutive and dilutive funding raised** and **\$5.4M in new revenues**
- **88 jobs** of which six are C-Suite roles
- **418 commercial pilots, 133 new commercial customers** and **180 new operational sites**
- **17 clinical studies**
- **14 international market launches** and **26 new partnerships** formed



This report outlines the team's achievements over the past financial year, however it is worth noting a few highlights:

- A ratio of **\$4.29 : \$1 of industry contributions** to every dollar of MTPConnect funding from inception to 30 June 2019, highlighting the effectiveness of our collaborative model
- **\$1.67M of cash and in kind** made available to our FY2019 cohort, bringing our total cohort company contributions for our ANDHealth+ program to **\$3.56M**
- **4 companies** in the ANDHealth+ Cohort, **42 companies** attended *B.R.I.G.H.T Ideate & Innovate Workshops* and **34 companies** accessed ANDHealth's Office Hours facility
- **10 events** held, attracting over **650 attendees** from **11 countries**, showcasing **6 international** digital health industry leaders
- **34 contractual milestones** delivered; **19 additional milestones** delivered; and **18 milestones** scheduled to be delivered before the end of December 2019

*"As a non-profit and non-equity taking organisation, ANDHealth is very much focused on its vision to create a world-leading, national, integrated ecosystem for the development, commercialisation and implementation of evidence-based digital health technologies in Australia."*

— Bronwyn Le Grice  
Managing Director, CEO, Co-Founder  
ANDHealth



# Managing Director's Report

---

On behalf of the Members, Board of Directors and Management team of ANDHealth Limited, I am delighted to present ANDHealth's 2019 Annual Report.

This annual report represents the end of the activities proposed when the organisation was created with the support of MTPConnect in 2017, and I believe we have exceeded all expectations in the impact we have been able to have on our nascent digital health industry in that short period of time.

Our collective objective when we established ANDHealth was to transform the digital health sector in Australia, bringing clarity, resources and support to a nascent industry with significant global potential, leveraging our historical strengths in healthcare innovation into this new growth sector, and bringing specialised knowledge and expertise to give Australian digital health companies the very best chances of global success.

Across our programs, the outcomes reported by our ANDHealth+ cohort companies, feedback from new program

participants, international speakers and delegations and the launch of our sector report, *Digital Health: Creating a New Growth Industry for Australia*, we believe we have achieved this objective, and continue to set new benchmarks for commercialisation programs in Australia.

The impact and influence we have been able to bring to the sector are wholly attributable to our focus on collaboration over competition, and the absolute commitment and dedication of our foundation members: Novartis Pharmaceuticals, RMIT University, Murdoch Children's Research Institute, Planet Innovation, Curve Tomorrow, Allens, HPM Executive, HealthXL and AusBiotech. In addition, this year we welcomed new corporate member, Potential(x) who have brought critical expertise in data analytics and health economics to our consortium.

We also acknowledge the ongoing support of the AWS Activate program, who provide significant technical resources to our ANDHealth+ participants.

This focus on 'harnessing the power of the collective', and the close working relationship across the membership and the ANDHealth team, has enabled us to deliver an expanded suite of high-quality programs in the 2019 financial year.

In late 2018, we launched the *B.R.I.G.H.T Ideate & Innovate* 1- and 3-day programs, with support from Victorian Innovation Agency, LaunchVic. These increasingly in-demand programs leverage Planet Innovation's award-winning B.R.I.G.H.T framework, and combine it with ANDHealth's network of proven industry experts, to deliver courses to help inform and guide early stage digital health innovators from concept/ideation stage to feasibility study.



In early 2019 we were extremely grateful to receive an extension to our MTPConnect funding to develop and deliver our new 5-day intensive digital health Masterclass program, which will run for the first time in November 2019. Featuring over 50 industry expert speakers and spanning key topics for both innovators and industry professionals working in digital health, Masterclass will bring a new level of content to the ANDHealth suite of programs, bridging the gap between the B.R.I.G.H.T programs and our flagship ANDHealth+ program.

However, our best measure of success are the achievements of the cohort companies selected and mentored through the ANDHealth+ Program. The exceptional performance of these companies, as they move towards global commercialisation, has been breathtaking. To the management teams, our thanks for taking on board the feedback from our advisory panels and embracing the opportunity to reframe, reposition and review your technology and strategy. Your success is our success and we are unbelievably proud of your achievements.



Bronwyn Le Grice (far right), keynote speaker at RMIT's Global Business Innovation Conversations, pictured with co-panelists



(Left to right) Kelly Constable (ANDHealth), Dr Anna Lavelle (ANDHealth), Lisa Suennen (Manatt, Phelps & Phillips, LLP), the Hon. Martin Pakula (Victorian Government) and Bronwyn Le Grice



As a non-profit and non-equity taking organisation, ANDHealth is very much focused on its vision to create a world-leading, national, integrated ecosystem for the development, commercialisation and implementation of evidence-based digital health technologies in Australia.

We do this led by industry, for industry, however our unique non-profit industry-good model does require support from Government to continue beyond our current MTPConnect support. As such, our focus in the immediate term is to work with numerous government and industry stakeholders to secure our future as Australia's leading provider of commercialisation support programs designed specifically for digital health companies.

I would like to personally thank the ANDHealth Board of Directors for their support, recognise the achievements and dedication of the core staff team at ANDHealth who are responsible for such extraordinary outcomes, and the members and partners we work with on an ongoing basis for their commitment to our cause and continued operations.



**Bronwyn Le Grice**  
Managing Director, CEO, Co-Founder  
ANDHealth



The ANDHealth team



(Left to right) Dr Lisa McFerrin and Dr Wilson To (Amazon Web Services) with Bronwyn Le Grice



# Our People

## Dr Anna Lavelle

Independent Chair

Independent Chair of Medicines Australia; Independent Director SoilCRC; Chair, Avatar Brokers Ltd; Non-Executive Director, Hemideina; Ministerial appointment NHMRC Innovation Committee; Member of the OUTBREAK Advisory Board.



## Bronwyn Le Grice

Managing Director, Chief Executive Officer, Co-Founder

Non-Executive Director Imagination Biosystems (ASX:IBX); Member, Australia New Zealand Leadership Forum Health Technologies Sector Group; Member, PCH Alliance Innovation Task Force, RMIT University Health and BioMedical Sector Expert Research Advisory Group; Member, La Trobe Digital Health Industry Advisory Committee; Member, Swinburne University Innovation Precinct Advisory Board.



## Andrew Hall

Independent, Non-Executive Director

Co-Founder, CEO, Chair, myKicks; Director, The Founder Institute; Venture Partner, Stone Ridge Ventures; Senior Advisor, Strategy, Growth and Financing, Inotek Corporation.



## Kelly Constable

Independent, Non-Executive Director

Co-Founder and CEO, AULUS Partners, Accelerating the Commercial Pathways for Australia's World Class Science; Leading Strategy and Global Development for Australian Genomics Cancer Medicine; Expert Advisor, New South Wales Medical Device Fund; Board of Directors, Prota Therapeutics.



## Paul Davies

Chief Financial Officer & Company Secretary

CEO, Balanced Management Solutions.





*“ANDHealth provides an essential community-building, knowledge-building and business-building enterprise that is helping drive Australia to a leadership position in the global health discussion. They are a valuable resource helping drive innovation across Australia’s healthcare system and I find great value in engaging with the organisation on multiple levels.”*

— Lisa Suennen

**Group Leader, Digital & Technology Group & Lead, Manatt Ventures**  
**Manatt, Phelps & Phillips, LLP**



## Grace Lethlean

**VP Program Design & Delivery**

Technology development; Project and innovation management; Co-inventor and end-to-end commercialisation (including randomised controlled trials) of digital health technology.



## Jonathon Lo

**VP Business & Industry Intelligence**

Medical doctor; Researcher and PhD graduate in cochlear implantation surgery (basic science/medical devices).



## Deena Metz

**Program Manager**

Occupational Therapist; Neurorehabilitation; StartUp Health fellowship; Project management; Disability management.



## Rita Morgenstern

**Executive Assistant & Office Manager**

Highly experienced Executive Assistant across a range of industries; Travel and office management; Business administration; German and French.



## Joseph Hardy

**Industry Analyst**

Analytics; Information security; Machine learning; Previous work-industry placement in digital health.



## Marcelle Malka

**Marketing & Communications Officer**

Optometrist; Social Media Councillor as the Optometry Representative for the Future Health Leaders Council; Marketing background with a successful health food blog.



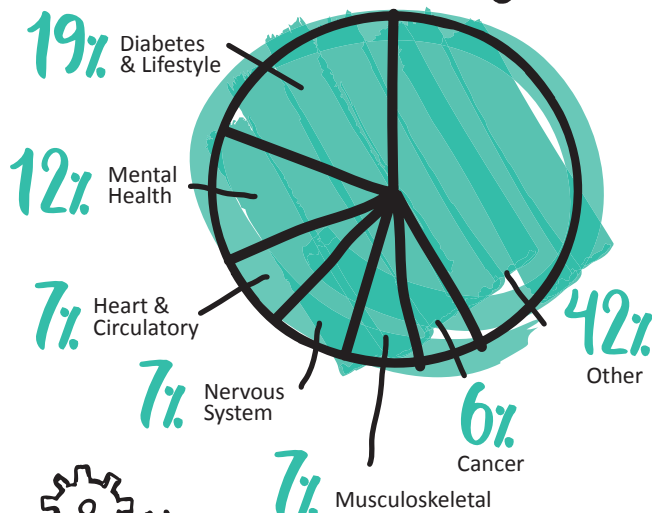
# THE STORY SO FAR

May 2017  
to June 2019

# Industry INSIGHTS

Since inception, ANDHealth has been working to develop the digital health sector and its supporting ecosystem across Australia. The team has actively engaged with companies, at all stages of development, through our programs, Office Hours and industry event opportunities, giving us one of the most comprehensive datasets of digital health companies in Australia. Some of our industry insights are captured below.

## Clinical Indications

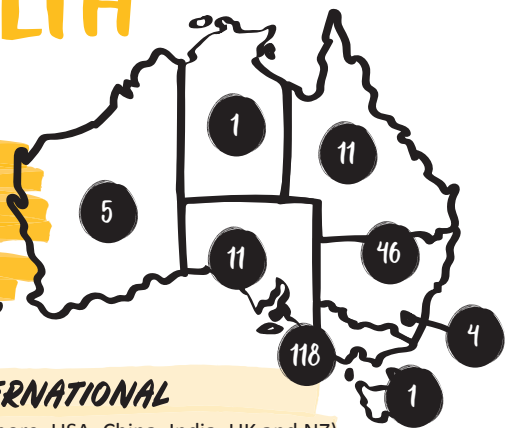


**DIGITAL HEALTH COMPANIES SCREENED BY ANDHEALTH**

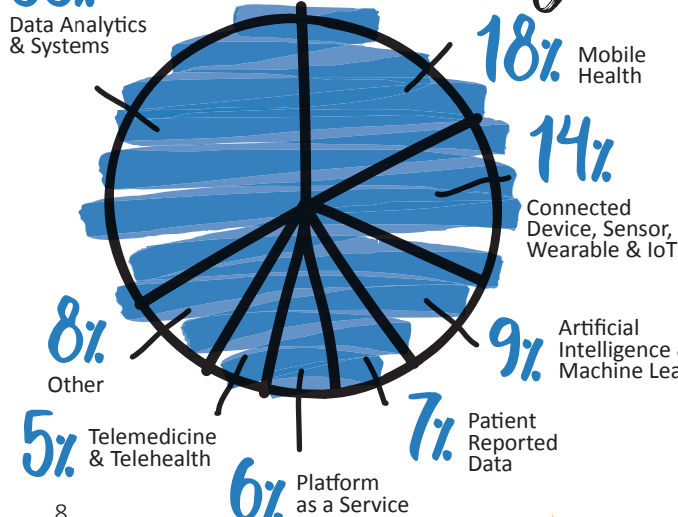
**207**

**197**  
AUSTRALIAN COMPANIES

**+ 10 INTERNATIONAL**  
(Singapore, USA, China, India, UK and NZ)



## Technologies



**35%** OF ANDHEALTH APPLICANTS WERE FEMALE

## Industry Funding Highlights

**\$3m** Seer Medical  
Epilepsy home-diagnosis and management solution  
*GRANT FROM US EPILEPSY FOUNDATION*

**FY2019**

**\$5m** Billycare  
Connected devices for aged care  
*CAPITAL RAISED*

**\$4.5m** Life Whisperer  
Artificial intelligence enhanced fertility  
*CAPITAL RAISED*

**\$10m** Global Kinetics Corporation  
Assessment of movement disorder symptoms  
*CAPITAL RAISED*

**\$1.3m** HealthMatch  
Global clinical trial matching  
*CAPITAL RAISED*

# ANDHEALTH Outcomes

Since inception, ANDHealth has been focused on delivering outcomes, both for innovators, entrepreneurs and for the broader industry. The graphic below is a snapshot of the ANDHealth deliverables since we started two years ago.

**\$3.56M** TOTAL VALUE CONTRIBUTED AND MADE AVAILABLE TO ANDHEALTH+ COHORT COMPANIES

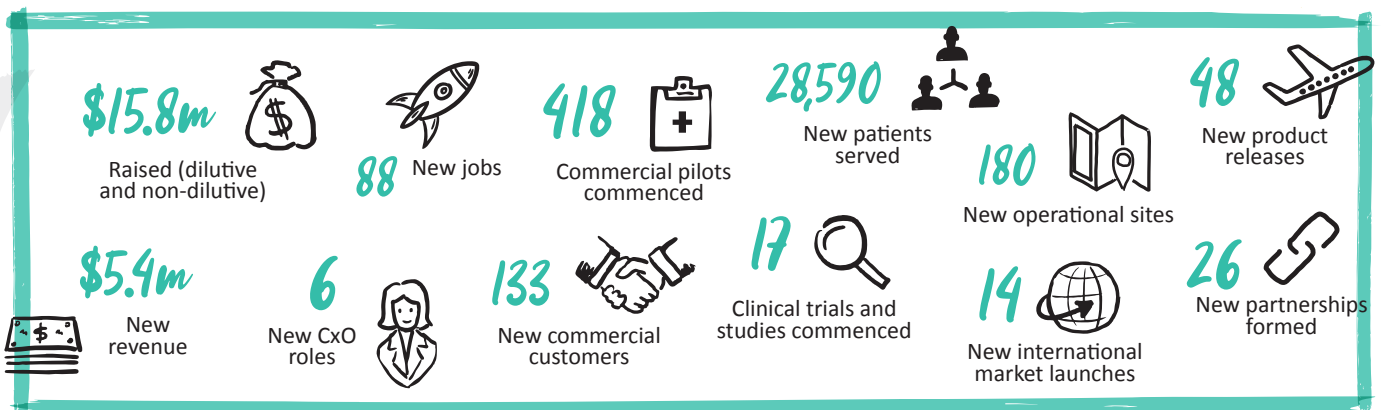
VALUE FOR EVERY DOLLAR INVESTED IN ANDHEALTH+ COHORT COMPANY PROJECTS **\$8.86**

## Deliverables INCLUDE:

- > Business model evaluations
- > International market entry strategies
- > Health economic studies
- > Regulatory strategies
- > Multidisciplinary expert panel meetings
- > Patent and trademark registrations
- > Investment narrative and messaging support
- > Clinical studies
- > Commercial pilots
- > Expert C-suite coaching

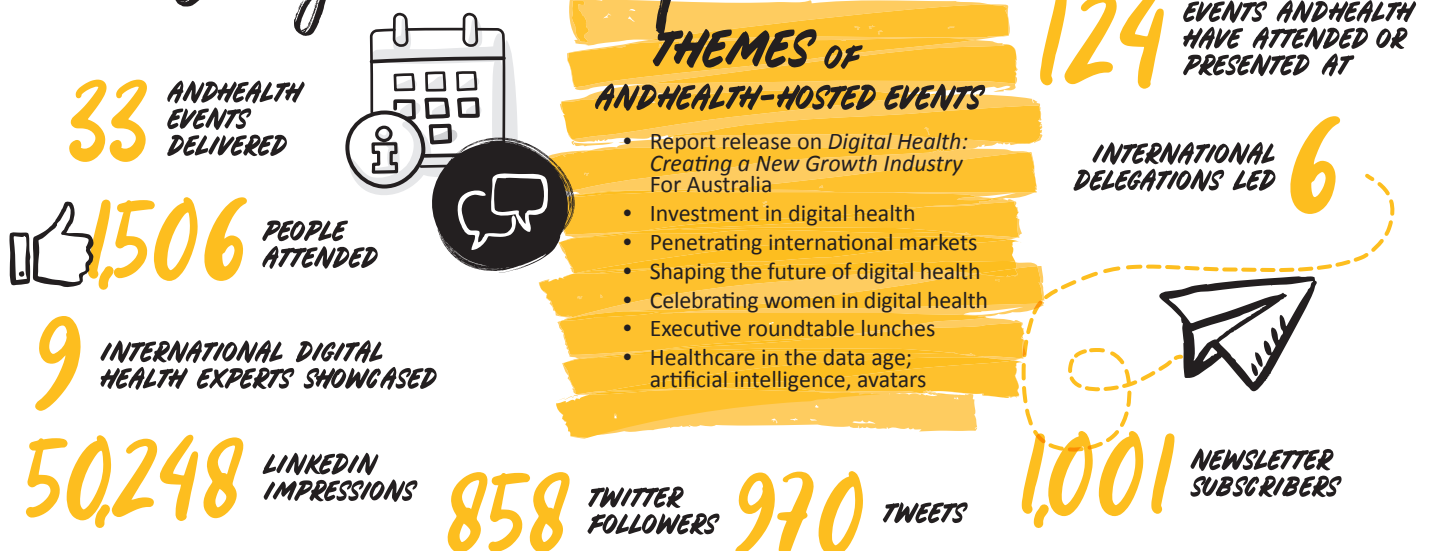
## Cohort Outcomes

COHORT COMPANY OUTCOMES REPORTED TO ANDHEALTH (AS AT JUNE 30 2019)




\*FY2018 cohort onboarded October 2017  
FY2019 cohort onboarded September 2018

## Industry Development



# Milestones & Achievements

General & Administration		Members & Growth		International Connectivity		Cross Sectoral Connectivity	
4 quarterly reports	✓	Execution of 2 Ecosystem Development Partner agreements with relevant industry associations/communities	✓	Trade mission to US conferences, including SXSW and Connected Health	✓	1 ANDHealth Digital Health Summit incl. international expert	✓
Annual report	✓	Meet with 2 potential new members	✓	Identification and coordination of EU delegation (for Q1 FY2020)	✓	4 events of cross sectoral relevance	✓
Recruitment of Marketing, Communication and Events Manager	✓	Member Skills Matrix for identifying areas where new members may benefit ANDHealth	✓	Development and promotion of delegation package to HLTH Conference, USA (for Q2 FY2020)	✓	ANDHealth+ FY2019 cohort and alumni Office Hours with international expert	✓
Launch new website	✓	Enter into discussions re. ANDHealth programs with at least one Commercial Partner	✓	Collaboration with Austrade on inbound ASEAN Delegation	★	Digital Health Symposium – AusMedtech	✓
ANDHealth Christmas event for Members, Ecosystem Partners and supporters	✓	Progress discussions re. ongoing funding	✓	AWS Global Healthcare team member and cohort company Roundtable	★	<i>Shaping the Future</i> event featuring Lisa Suennen in partnership with Novartis	★
2018 cohort finalisation and case studies	✓	Secure contract for continued funding for core operations including ANDHealth+	⚙️	Attendance at World Hospital Congress (Brisbane)	★	Inaugural Women in Digital Health Lunch	★
Recruitment of Program Manager	★	Execution of Potential(x) as a Corporate Member	★	ECH Alliance: Melbourne Ecosystem formation planning session	★	AWS Global Healthcare Briefing	★
New office address	★	Execution of Allens as an Associate Member	★	Attract 6 international speakers to ANDHealth events	★	Supporting ADHA's National Health Interoperability Roadmap	★
<div>  <p><b>Grace Lethlean</b>, ANDHealth's VP Program Design and Delivery, was awarded a <b>Churchill Fellowship</b> for upcoming overseas research exploring best practice in the UK, Germany, Netherlands and Finland to strengthen Australia's digital health companies and industry.</p> </div>						Vic Gov Digital Innovation Festival 2018	★
						Participation and attendance at 67 sectoral events	★

	Investment & Infrastructure	Programs	Digital Health Industry Report
	Recruitment of Industry Analyst ✓	ANDHealth+ FY2018 and FY2019 investment presentations ✓	Digital Health Report drafting of Regulation, Investment and Market Entry/Implementation ✓
	Digital Health Investment Roundtable with international expert ✓	ANDHealth+: Selection of successful round 2 (FY2019 cohort) projects ✓	Release of report <i>Digital Health: Creating a New Growth Industry for Australia</i> ✓
	Existing data entered into digital health information database (searchable) ✓	ANDHealth+: Finalise all round 2 project agreements and commence program projects ✓	
	Infographic: Industry Snapshot ✓	4 project quarterly cohort outcomes infographics ✓	
	ANDHealth+ FY2019 cohort (+ alumni) Investor Presentation Day ✓	Masterclass: industry experts confirmed, industry consultation and finalisation on curriculum ✓	
	Participation in the TGA's Consultation on Regulation of Software ★	ANDHealth+ FY2018 and FY2019 progress reports ✓	
	Informing regulatory frameworks incl. participation in Adaptive Regulation For Digital Health Steering Committee ★	Masterclass: confirm event details ⚙	
		ANDHealth+: Announcement of successful round 2 projects ★	
		Office Hours program: delivered to 34 companies ★	
		Delivery of <i>B.R.I.G.H.T Ideate</i> seminar to at least 30 registered participants ✓	
		Delivery of <i>B.R.I.G.H.T Innovate</i> workshop to over 10 companies ✓	
		2x B.R.I.G.H.T project progress reports ✓	

- ✓ MTPConnect Milestone Complete
- ⚙ Working On
- ★ Additional Achievement
- ✓ LaunchVic Milestone Complete



**Dr Anna Lavelle**, ANDHealth's founding chair, was the recipient of **BioMelbourne Network's 2019 Women in Leadership Award – Impact for Industry**, and **AusBiotech and Johnson & Johnson Innovation's 2018 Industry Leadership Award**. Both were awarded in recognition of over 25 years of campaigning for and contributing to the growth and expansion of the life sciences and medical technologies sector.



(Left to right) Lusia Guthrie (BioMelbourne Network), the Hon. Martin Pakula (Minister for Jobs, Innovation and Trade, Victorian Government), Dr Anna Lavelle (receiving the Women in Leadership Award) and Her Excellency the Hon. Linda Dessau AC (Governor of Victoria).



# ANDHealth+ Program Overview

Our flagship program, ANDHealth+, assists digital health companies to navigate the commercialisation pathway to institutional investment and international market entry.

The program is designed for mid-stage companies with evidence-based products focused on clinical outcomes, and involves 9 months of intensive coaching by a multi-sectoral, multi-disciplinary advisory panel. Each cohort company has access to up to \$60k for 3rd party services and over \$200k of industry in-kind. The program is unique in that it requires no equity consideration and is tailored to each cohort company's specific needs.

5

## 5 Projects Each Round

Eligible: Mid-stage evidence-based digital health technologies which have achieved proof-of-principle  
ANDHealth supports a 6-9 month project to progress the company towards investment



## ANDHealth+ Advantage

- NO equity allocation
- NO ownership rights to IP
- Cross-sectoral exposure and advice
- International networks
- Specialised capability
- Unique in Australia



## ANDHealth+ Provides

- Multi-sectoral, cross-disciplinary C-Suite advisory team
- Up to \$60k for third party expertise
- >\$200k in-kind support
- Project management expertise
- Supplier sourcing and briefing
- International industry and investor networks

## ANDHealth+ FY2019 Cohort

### Cancer Aid

CancerAid's app provides health coaching and behavioural change to support improved health outcomes and return-to-work for cancer patients.



### Vitalic Medical

Vitalic Medical offers a targeted, smart trigger system to help nurses identify early signs of deterioration and potential falls to help them spend time with patients who need them most.



### Health Delivered

Health Delivered is a technology platform that creates personalised and clinically validated meal plans without the need to see a dietitian.



### Kesem Health

Kesem Health is a connected health company that is improving the convenience, accuracy, and validity of data in support of the diagnosis and management of urological conditions.



## ANDHealth+ FY2019 Cohort Deliverables



# \$1.67M

The total value contributed and made available to our FY2019 cohort

- 2** Studies with academic institutes
- 2** Regulatory strategies
- 2** Technical evaluations
- 1** Health economics study
- 1** Commercial pilot
- 1** Pricing strategy
- 1** Manufacturing review

## ANDHealth+ FY2018 & FY2019 Cohort Achievements



Exit of DoseMe  
(to Tabula Rasa  
NASDAQ: TRHC)

 <b>\$15.8M</b> Raised (dilutive and non-dilutive)	 <b>88</b> New jobs (FTEs)	 <b>418</b> Commercial pilots commenced	 <b>28,590</b> New patients served	 <b>180</b> New operational sites	 <b>48</b> New product releases
 <b>\$5.4M</b> New revenues	 <b>6</b> New CxO roles	 <b>133</b> New commercial customers	 <b>17</b> Clinical studies commenced	 <b>14</b> New international market launches	 <b>26</b> New partnerships formed

Cohort Company Outcomes Reported to ANDHealth (as at June 30, 2019)  
FY2018 Cohort onboarded October 2017 | FY2019 Cohort onboarded September 2018

# ANDHealth+ Alumni Testimonials

## ANDHealth+ 2019

*"The ANDHealth+ program has been a key source of advice and assistance in CancerAid's commercialisation. The industry insights of the panel members have helped us to mature our business model to reach life insurers with a sustainable business model, which allows us to further support patients closely in their cancer care."*



*"One of the key benefits of the ANDHealth+ program was that it was tailored to the needs of Vitalic Medical including our advisory panel. The advisory panel provided ongoing objective guidance on our business throughout the program helping to ensure we were focused in the right areas and on the right activities."*



*"The expertise offered by the ANDHealth+ panel members were pivotal in Health Delivered's transition to a new business model. The program's focus on clinical evidence also supported a crucial validation study with CSIRO. Together, these solidified our value proposition and strengthened our unique offerings, resulting in clearly defined commercial messaging, a new business plan and revenue opportunities."*



*"This program provided access to senior panel members, digital health expertise, and diverse industry knowledge, which otherwise would not be accessible to us. ANDHealth+ particularly supported Kesem Health in achieving greater understanding of the EU marketplace and identifying EU market opportunities."*

---

## ANDHealth+ 2018

*"We have been a part of numerous innovation communities including corporate incubators and VC-backed tech-accelerators. However, only ANDHealth+ has the deep expertise and commercial partnerships to truly understand a health-tech business and the unique hurdles they face to commercialise and find their path to market."*

— **Scott Taylor**  
**Co-Founder & Co-CEO**  
**Perx Health**

*"At the start of the ANDHealth+ program our company was still considered a University technology. Now the company is recognised and we have a clear path to market."*

— **Dr Kyle Berean**  
**VP Technology**  
**Atmo Biosciences**

*"Our company has most definitely changed over the last two financial years, and much of this change and success can be attributed to the fundamental business strategy advice and support through ANDHealth+. Our growth over the two years has been phenomenal, with our staff numbers increasing from seven to over 50."*

— **George Kenley**  
**CCO & Co-Founder**  
**Seer Medical**

*"We went from being an early-stage business pushing product through to scaling the company. If you're at that inflection point in your business where your product is clinically validated and has reached commercial viability, the ANDHealth+ program will help you move away from just thinking about the technology to getting the business aspect of it right. It moved us from not having the ability to get into the US market to rapidly expanding."*

— **Dr Robert McLeay**  
**Founder & Chief Scientific Officer**  
**DoseMe (exited to Tabula Rasa December 2018)**

*"BioScience Managers has benefited directly from the outputs of ANDHealth, specifically from the guidance, connections and support in the relatively fresh arena of digital health. This support to BioScience Managers has in turn benefited a number of our portfolio companies that have moved into the digital health space."*

— **Dr Amanda Gillon**  
**Chief Operations Officer Investments, BioScience Managers**

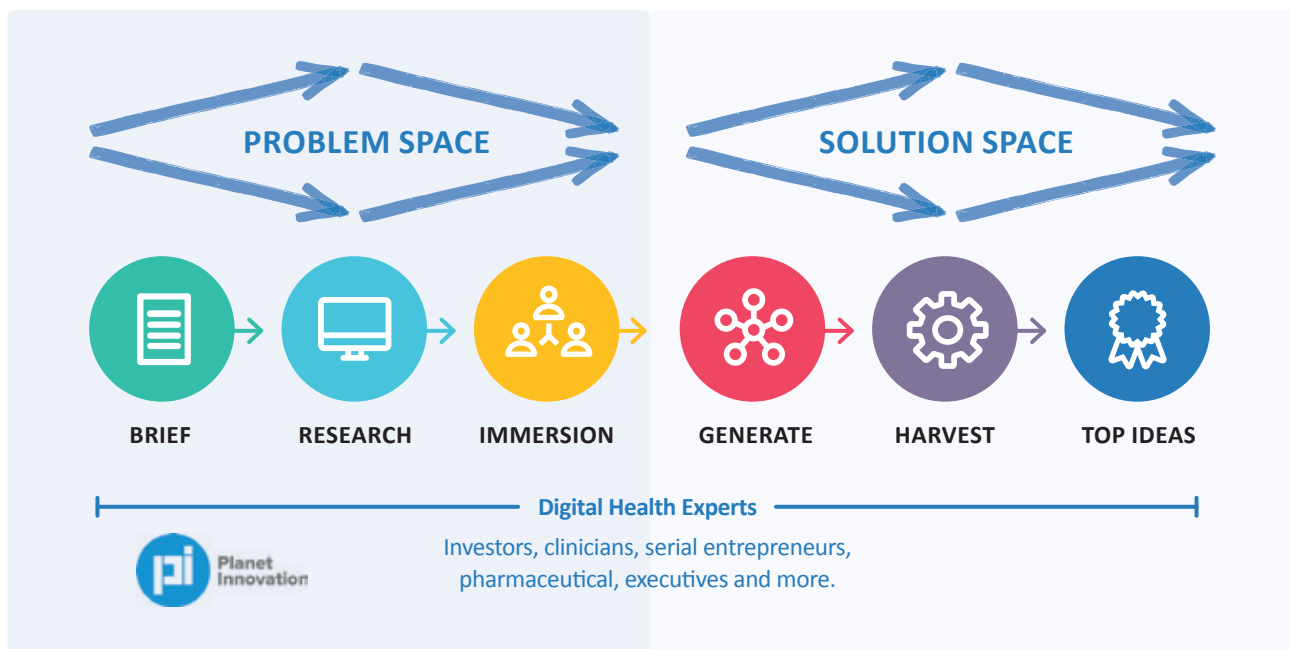


# B.R.I.G.H.T Digital Health Programs

With support from LaunchVic, ANDHealth has partnered with Corporate Member, Planet Innovation, to deliver these unique programs.

By combining ANDHealth's network of digital health experts with Planet Innovation's award-winning B.R.I.G.H.T framework, this program provides tailored advice and thinking models to digital health companies in order to reach successful commercialisation.

The programs are suitable for all digital health innovators, regardless of the stage of development, whether they are based inside a large corporation or an independent start-up or a researcher, carer, patient or clinician with a savvy solution to a real world problem.





## B.R.I.G.H.T Ideate in Digital Health: 1 Day Seminar

B.R.I.G.H.T Ideate is designed for early stage digital health innovators who are ideating, developing their prototype or seeking initial customers. Innovators receive real-world advice on how to address both the technical and commercial challenges of launching a digital-based business. Feedback from the 30 attendees of the April seminar hosted at RMIT includes:

*"I would recommend the B.R.I.G.H.T program to anyone working in a start-up in health. Whether you are completely new to start-ups or a seasoned professional moving into health, the B.R.I.G.H.T program will have you walking out with a much greater chance of success."*

— **Paul Lockwood**  
Co-Founder  
Codello

*"This was the most useful one-day session I have done. I can see how I can immediately apply the B.R.I.G.H.T program and the guest speakers knew their content well."*

— **Program participant**

*"I rate B.R.I.G.H.T 1 Day extremely highly. The structure was spot on, the facilitators were knowledgeable, and the information was relevant to my business as a start-up medical company."*

— **Program participant**

*"I would definitely recommend this program to first time businesses and start-ups. Learning about Strategic Partnerships at B.R.I.G.H.T 1 Day was a highlight."*

— **Program participant**

### Key takeaways

- **Learn** how to challenge assumptions and explore different business models.
- **Build** problem solving skills through the application of the proven B.R.I.G.H.T process.
- **Identify** both the opportunities and constraints that your new venture will face through digital health case studies.
- **Create** an action list that you can use to take your venture forward.



Participants at B.R.I.G.H.T Ideate hosted by RMIT

## B.R.I.G.H.T Innovate in Digital Health: 3 Day Workshop

*B.R.I.G.H.T Innovate* is a 3 day facilitated, small group, workshop designed for digital health innovators with a business concept that want to develop their product concept within a proven innovation framework, establishing feasibility and seeking practical skills and insights to prepare for achieving success across the clinical and commercial aspects of digital health.

Feedback from the 12 companies attending *B.R.I.G.H.T Innovate* hosted by Planet Innovation in June includes:

*"I would highly recommend the program to other digital health companies as it covers all of the critical aspects of starting and running a digital health business."*

— Program participant

*"There was a wide range of speakers covering nearly all aspects of digital health start-ups. They were of excellent quality, especially those that knew all the hurdles, pitfalls and trouble spots in digital health."*

— Program participant

*"I would recommend this program to other digital health companies. It was a very useful, immersive event focused on every aspect of digital health translation from ideation to market."*

— Program participant

*"It was great to have high quality presenters with the willingness to share their lived experience. Everyone was very open and helpful."*

*The program was very comprehensive. It was delivered by passionate and knowledgeable professionals from a number of different but very relevant perspectives."*

— Program participant

*"I would absolutely recommend this program to other digital health companies, as it helps clarify a wide range of issues that may arise."*

— Program participant

### Key takeaways

- **Learn** the importance of, and process for, gathering real world customer needs in digital health.
- **Develop** powerful problem solving skills using the B.R.I.G.H.T process, to navigate common start-up challenges.
- **Experience** immersion with digital health industry leaders.
- **Articulate** your value propositions to both customers, users and investors alike.



Stuart Elliot, Co-CEO & Co-Founder (Planet Innovation), presenting at *B.R.I.G.H.T Innovate*



Adam Wardell, Head of Innovation & Strategy (Novartis Pharmaceuticals Australia), presenting at *B.R.I.G.H.T Innovate*

# Office Hours

Office Hours is an opportunity for digital health companies, at any stage, to meet with the highly specialised ANDHealth team to discuss their business.

Available on a weekly basis, the program helps businesses identify program and partnership opportunities and utilise ANDHealth's network of qualified digital health experts as a sounding board.

Thirty-four digital health companies have now utilised the Office Hours facility, which we expect to be expanding in the coming months.

*"It was really valuable to hear your insights, and I will definitely be following up all those leads you suggested and coming along to some events."*

— **Dr Julia Rhodes**  
**Co-Founder & CEO**  
**Consentic**

*"It was great to throw around ideas and get some clarity on our business model."*

— **Dr Lauren Giorgio**  
**BD Manager**  
**CERA & Enlighten Imaging**

*"It was extremely insightful. We've walked away with a clear view on restructuring our pitch and a greater understanding of what potential investors will be looking for."*

— **Sarina Lowe**  
**Head of Growth & Partnerships**  
**CyberClinic**

*"The acceleration of evidence-based digital assets that can be commercialised on a global scale is made possible through a cohesive and collaborative digital health industry that is being built through the efforts of ANDHealth."*

— **Adam Wardell**  
**Head of Innovation & Strategy**  
**Novartis Pharmaceuticals Australia Pty Ltd**

*"ANDHealth is an important facilitator in the Australasian digital health and digital therapeutics network of companies, of all sizes from pre-revenue to our very largest healthcare exporters."*

— **Garth Sutherland**  
**Founder**  
**Adherium Limited**

# Strengthening the Digital Health Ecosystem

ANDHealth showcased six influential and renowned international digital health experts.



Lisa Suennen  
Manatt, Phelps & Phillips, LLP

Dr Yossi Bahagon  
Qure Ventures

Dr Chandana Fitzgerald  
HealthXL

Dr Wilson To  
Amazon Web Services

Dr Lisa McFerrin  
Amazon Web Services

Dino Bramanto  
KlikDokter



ANDHealth's Digital Health Executive Roundtable Lunch (left to right): Adam Wardell (Novartis Pharmaceuticals Australia), Jeremy Low (Allens), Lisa Suennen (Manatt, Phelps & Phillips, LLP), Bronwyn Le Grice and Tony Shaw (Allens)

*"I look forward to continuing to support the organisation in achieving its vision to create a world leading, national, integrated ecosystem for the development, commercialisation and implementation of evidence-based digital health technologies in Australia."*

— Lisa Suennen  
Group Leader, Digital & Technology Group & Lead, Manatt Ventures Manatt, Phelps & Phillips, LLP



*"ANDHealth has provided amazing support for Presagen and Life Whisperer. Its connections both locally and internationally provide an enormous advantage and a network that can facilitate Australian companies like ours to take our products to the world."*

— Dr Michelle Perugini  
Co-Founder & CEO  
Presagen and  
Life Whisperer



Dr Yossi Bahagon (Qure Ventures) presenting at the ANDHealth Winter Summit, hosted by Allens



(Left to right) Bronwyn Le Grice, Dr Anna Lavelle, Lisa Suennen (Manatt, Phelps & Phillips, LLP) and Kelly Constable at the Women in Digital Health Lunch



Bronwyn Le Grice (back row) with the ASEAN delegation, hosted in partnership with Austrade, at the ANDHealth Winter Summit





## ANDHealth Policy Activities

In December 2018, ANDHealth, supported by MTPConnect, CSIRO and the Australian Digital Health Agency, delivered the report *Digital Health: Creating a New Growth Industry for Australia*. This report was the first of its kind to explore the strengths, opportunities, constraints and barriers to the commercialisation of evidence-based digital health technologies in Australia. The report was informed by nationwide industry consultations with over 60 leading executives across multiple sectors that are engaging in, and impacted by the emergence of digital health technologies.

The launch event was attended by a capacity crowd of 85 attendees representing industry, academia, regulators, investors and government. Mr Frank McGuire (Victorian Government, Parliamentary Secretary, Medical Research), delivered the opening address and reiterated the commitment of the Andrews Government towards innovation in digital health and the creation of an independent and thriving sector.

The report examines four key pillars of digital health commercialisation including technology development, regulation, investment, and implementation. The conclusions of this industry led report complements our additional work with MTPConnect, CSIRO, Department of Industry,

Innovation and Science and Therapeutic Goods Administration regarding adaptive regulation and other projects currently underway in addressing the regulatory frameworks affecting digital health technologies.

Key messages from the report are included in the following pages.



Dr Dan Grant (MTPConnect) with Bronwyn Le Grice at the report launch



Launch event of the report *Digital Health: Creating a New Growth Industry for Australia*, hosted by Allens

## Policy Consultation & Submissions in 2019

- Steering Committee for Adaptive Regulation of Digital Health
- Therapeutic Goods Administration's Regulation of Software, including Software as a Medical Device
- Australian Digital Health Agency's National Health Interoperability Roadmap
- Austrade Digital Health Fast Track Program Working Group
- Personal Connected Health Alliance Innovation Task Force (USA)



# Digital Health: Creating a New Growth Industry for Australia

## Summary of key messages from the report



### Technology Development

- Australia has traditional strengths in health and medical research and significant public funds have been invested in building and supporting biotechnology/life sciences and medical technology sectors.
- Academic leadership in technology fields of artificial intelligence, natural language processing and data science provide a solid foundation to develop innovative evidence-based digital health solutions.
- These skills, and others, establish a solid capability upon which Australia can build a new growth industry in evidence-based, patient-centric digital health technologies, leveraging past public investment and current strengths.
- Creating and preserving a broader positive business environment for innovation is essential, including maintenance of R&D Tax Incentives, supporting industry development programs aimed at fulfilling unmet market needs, and a tax and operating environment supportive of small businesses.
- Ensuring new technology developments are supported with access, information skills and experienced mentors to encourage more innovation and reduce roadblocks to commercialisation is key to building a digital health sector.
- In order to develop this new growth industry we need to encourage engagement and adoption from current industry leaders, frontline healthcare providers, government and its agencies (Australian Digital Health Agency, Department of Human Services, Department of Industry, Innovation and Science, the Therapeutic Goods Administration, State Governments, etc.), and innovators to work together to create an ecosystem which provides a clear, trusted pathway for the development, delivery and scalability of innovation and new technologies.



### Regulation

- Companies seeking to scale internationally must consider medical regulatory frameworks, quality management requirements (ISO), data security and privacy requirements (HIPAA, GDPR, SOC, etc.) and reimbursement requirements.
- Approvals in some jurisdictions can ease the regulatory and compliance pathway in other jurisdictions, so the sequencing of approvals is an important factor.
- Clarity and consistency within regulation and expert guidance are required to support understanding of the regulatory framework to minimise risk for product development, commercialisation and investment.
- In order to fully realise the health and economic benefits inherent in evidence-based digital health, new models/evolution of regulation and reimbursement frameworks need to be considered in Australia.
- New methods of regulation such as Secondary Use of Data (Finland) and Pre-cert programs (US FDA) that have been developed in other jurisdictions can be used to inform new/evolving frameworks for Australia to accommodate new products such as digital therapeutics.
- Digital health innovators should be encouraged to view regulation as a competitive advantage, as it can smooth the adoption and customer acquisition process by indicating a product is safe and efficacious as verified by an independent body, the regulator.
- The regulatory framework around access to health data needs to enable innovation while protecting consumer interest and engendering consumer trust.
- Most therapeutic and medical device regulatory and reimbursement frameworks were developed prior to widespread adoption of connected technology solutions such as smartphones and the internet. Across many sectors, including healthcare, existing regulation often fails to keep pace with new technologies, leading to regulatory grey areas and limiting the rate at which the digital health sector can deliver transformative solutions.

ANDHealth acknowledges the generous support and contribution of the following organisations:



## Investment

- Australia's investment levels into digital health are comparatively much lower than global counterparts.
- Digital health companies face specific challenges and have unique attributes which mean that they often don't comfortably fit into the investment frameworks for either technology-focused or healthcare-focused venture funds.
- Digital health companies that have successfully raised capital often sit outside the medical technology regulatory pathway or they include a regulated medical device component, which fits within a traditional healthcare venture investment framework.
- Many digital health start-ups are departing Australia and moving directly into investment readiness programs in major markets due to the perceived lack of capital for digital health companies.
- As a nascent industry with a commercialisation and regulatory pathway that is still emerging, there is a need to educate investors from both technology and healthcare backgrounds as to what makes a successful digital health company from an investment perspective.
- Increasing the confidence of our domestic investment industry and increasing access to capital for digital health companies will enable these companies to stay in Australia for much longer, and be much further developed in the value chain, before they substantively move offshore.
- Investor returns are compromised by lack of C-Suite resources that are capable, experienced and available. Existing staff should be upskilled by encouraging experienced and successful digital health professionals to share their knowledge through executive in residence programs and targeted investor education programs.
- Generating an ecosystem where industry leaders with demonstrable track records in digital health and technology commercialisation can share their knowledge, skills and experience through industry-led company support programs and via targeted education, can significantly improve the availability of skilled digital health professionals.



## Implementation

- Healthcare costs are increasing at an unsustainable rate globally, generating a focus on value-based care. While this shift will generate new ways to think about how to deliver care and in turn, drive innovative new models, without a change in procurement practices, value-based care could drive a decrease in innovation as commercial and investment returns in healthcare are squeezed.
- Innovation in procurement and the facilitation of frontline healthcare implementation will drive better and more affordable health outcomes for healthcare consumers, providers and payers, as well as support strong investment and commercial cases for entrepreneurs.
- While the majority of major implementations and purchasing decisions will continue to be driven by Business2Business (B2B) and Business2Government (B2G) models, healthcare consumers will play an increasingly important role and Business2Business2Consumer (B2B2C) and Business2Consumer (B2C) models will open up new avenues for implementation and commercialisation of evidence-based digital health products and services.
- B2C models must be protected and strengthened by clear regulations, strong clinical evidence and adaptive reimbursement models.
- Providing a clear pathway to market and defined implementation channels may also encourage more investment and development of new solutions as customer acquisition of new solutions becomes more viable.
- Truly successful commercialisation of digital health solutions means that they are implemented at scale, requiring a procurement pathway for products/ services to be easily purchased and implemented by a range of end-users so that they are providing value to users and improving health outcomes.

# International Delegations

A key element of supporting Australian companies when they look to global markets, is to provide facilitated access to leading events and conferences around the world.

In the 2019 financial year, ANDHealth led delegations to the PCH Connected Health Conference with CSIRO and South By South West (SXSW) alongside Austrade.

ANDHealth organised and led a 10-strong Australian digital health company delegation to SXSW (US), including coordinating a networking event sponsored by Austrade.



Grace Lethlean (centre) with representatives of the SXSW 2019 delegation.

Eight Australian digital health companies were part of the ANDHealth led delegation to Connected Health in Boston that included discounted event tickets and invite-only tours, along with meetings organised in New York.



Bronwyn Le Grice (3rd from left) with a selection of the delegates at the ANDHealth/CSIRO booth at Connected Health.

*"From my perspective as an advisor to numerous Digital Health organisations, ANDHealth really stands out as a visionary organisation with unique leadership that understands the need to target real problems in healthcare and address them with innovation and transformation that are grounded in economic sustainability and successful long term outcomes."*

— **Dr Aenor J. Sawyer**  
**Health Innovation & Technology in Ortho (HITO),**  
**Dept. Orthopaedic Surgery, University of California**  
**San Francisco**



*"I believe ANDHealth has delivered great value to the sector and we believe the dedication solely to digital health, and informed by industry leaders with proven backgrounds and the national and international networking opportunities in digital health commercialisation through members, partners and networks are of particularly great value."*

— **Dr Rob Grenfell**  
**Director**  
**CSIRO Health and Biosecurity**



*"My association with ANDHealth has enabled partnerships with a number of budding entrepreneurs, as well as attending CES and SXSW conferences. ANDHealth has helped open the doors to an entirely new skillset for me that will hopefully complement my Specialist Medical Training, and enhance my career as a MedTech Innovator in Australia."*

— **Dr Peter Chan**  
**Intensive Care Specialist**  
**Eastern Health**



*"I have found the organisation's proactive attitude, collaborative nature, strategic connections, and expertise highly beneficial to the growing digital health community; and foresee a continued need for ANDHealth's activities in the future to build expertise in digital health commercialisation with a view to contributing to the nation's economic prosperity."*

— **Dr. Tam Nguyen**  
**Executive Officer of Research,**  
**Research Directorate**  
**St Vincent's Hospital**  
**(Melbourne)**



*"It is essential to the future of this sector that ANDHealth's activities continue into the future. Your organisation provides a unique and demonstrably successful service to this area that is so important both to grow technology businesses and to positively impact Australians' health."*

— **David Jonas**  
**Head of Health Market**  
**Quality R&D Program,**  
**Capital Markets**  
**CRC Limited**



*"Australia's digital health sector will experience significant growth over the coming decades. ANDHealth has played and will continue to play a vital role in the development and growth of this sector in Australia, which will be a significant opportunity for STEM job creation and economic growth in the country."*

— **Jarred Shein**  
**VP of Business**  
**Development,**  
**Asia Pacific**  
**Qure Ventures**



To keep abreast of ANDHealth activities over the next year, visit [andhealth.com.au](https://andhealth.com.au) and subscribe to our newsletter.





## Thank you

*ANDHealth appreciates the support of its members, partners and cohort companies in supporting our vision for an integrated ecosystem for the development, commercialisation and implementation of evidence-based digital health companies in Australia.*

