Danish Healthtech Innovation Network

WelfareTech Collaborative Innovation

The Italian market for Health Tech

Maybe Europa's most interesting growth opportunity?

Italian Business Development

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Tina Riis

Italian Cluster Development

ARTES 4.0

Lorna Vatta

Webinar 18-2-2021

CONTACTS

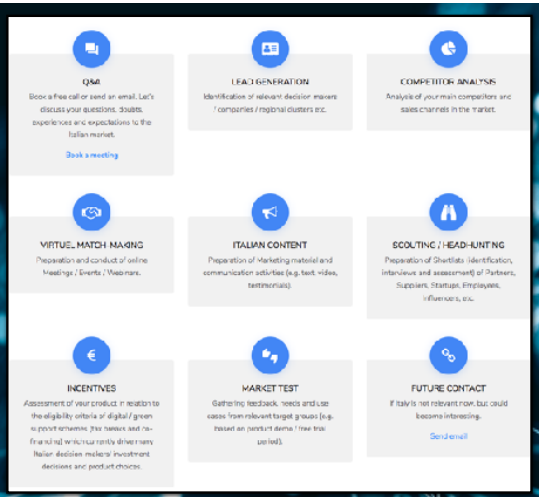
tina.riis@daivai.com

+39 329 271 5142

linkedin.com/in/tinariis

linkedin.com/in/tina-h-riis

TINA RIIS



Business Graduate | Management Consultant | Business Development
Innovation Manager | 4.0 Transformation | Cross-cultural Communication
34.000 LinkedIn Contacts
Strong Italian Network across Industries – Regions – Company Functions
Lifescience – Food – Tech / IT / 4.0
Living/working in Italy since 2004

ITALIAN MARKET & BUSINESS DEVELOPMENT

http://italien.daivai.com | https://italy.daivai.com

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Daivai Srl
Via Venezia 10 – 50121 Firenze (FI) – Italy
VAT: 06448520483
Company register: FI-62926

WELCOME

Tina RIIS
DAIVAI Srl

. Italy's Health Care Market
. Health Tech Opportunities
. Take-aways / TO-DO

Lorna VATTA
ARTES 4.0

. Health Tech strategy
. Cluster excellences
. Collaboration interests

Q & A

ITALY – Europe's most interesting market for Health Tech?

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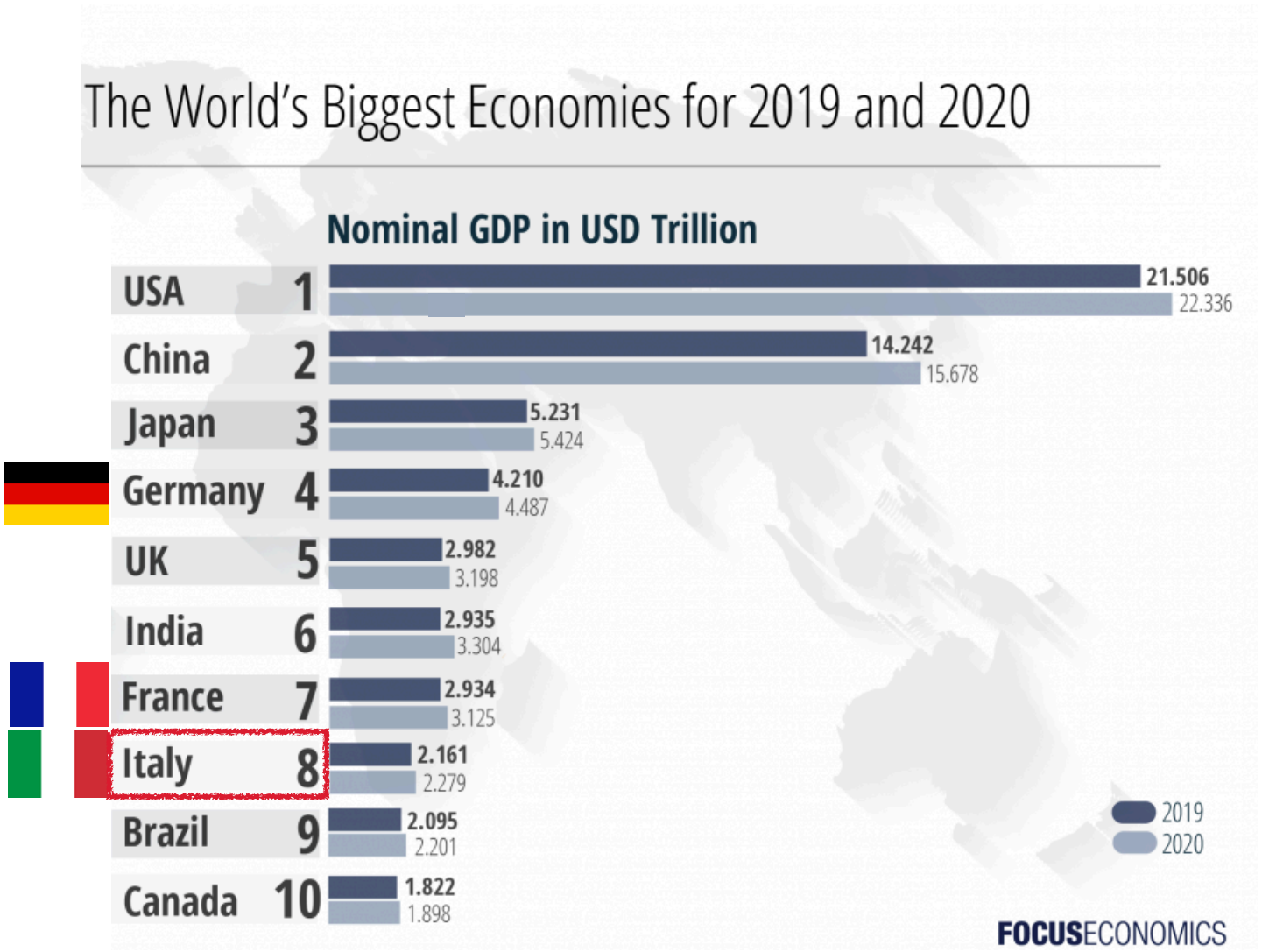
A LEADING ECONOMY

8°

3°



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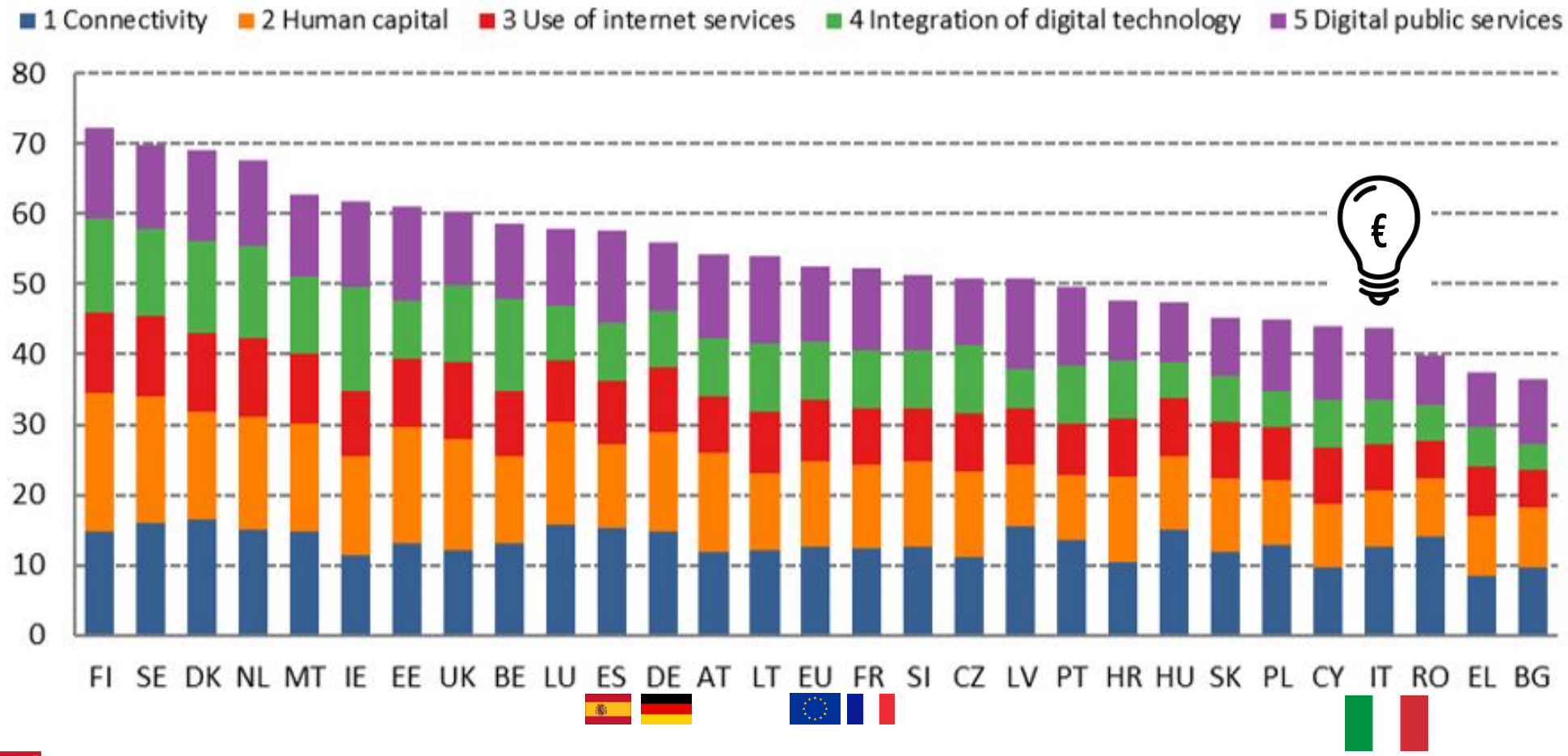
DIGITALIZATION – A NATIONAL URGENCY



DESI Digital Economy and Society Index - 2020

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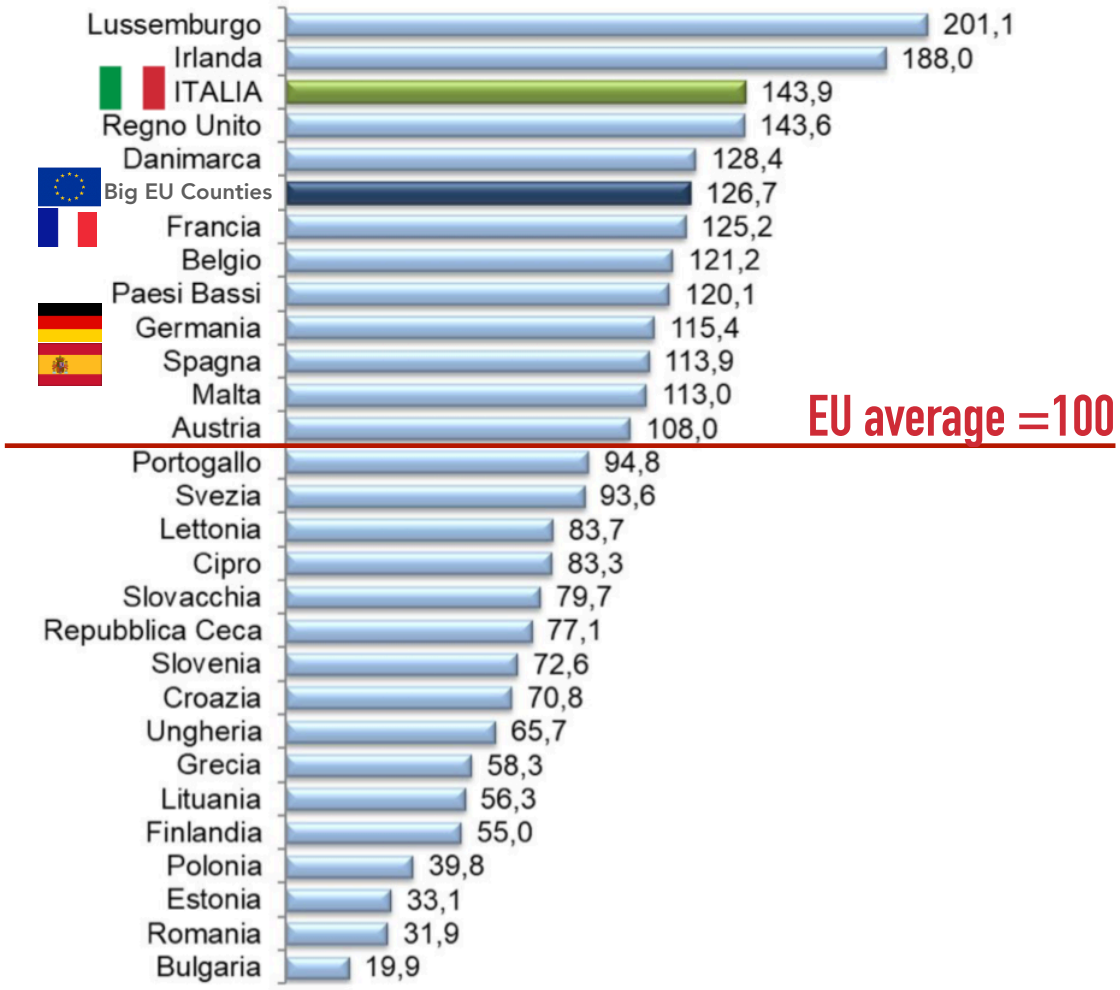
SUSTAINABILITY – A NATIONAL IDENTITY



4 parameters:

- .Material use
- .Energy use
- .Waste production
- .Emissions

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RAPID INCREASE – USERS / PATIENTS

83 M

67 M

60 M

>65 years: 14 M (23% of pop.).....21 M (35% by 2050)

>80 years: 4 M (7% of pop.)

Citizens with chronic illnesses: 24 M

Life Expectancy: 83 years (73 in 1978)

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SSN – Sistema Sanitario Nazionale Roles & Responsibilities

1978: SSN Free, universal Health Care System previously tied to job market

1990: Competing, local health companies ASL (Aziende Sanitarie Locali)

managerial reform -> spending control and quality uniformity

2001: Roles and responsibilities:

GOVERNMENT DEFINES LEA (Essential Levels of Assistance) and Standard Costs of services. (LEA + regional demographics + performance = budget allocation).
Regional contracts exceeding LEA levels (+20%) can be cancelled.

REGIONS DELIVER the service (free or with "ticket" - patient contribution) incl.:
regulation, organization, financing, quality and spending control of its ASL/Hospitals,
make/buy decisions of services (public/private),
buy/lease decisions of equipment etc.

2020: New national evaluation system of the Regions 88 KPIs

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NATIONAL PERFORMANCE – REGIONAL RESPONSIBILITY

"POPULATION HEALTH"
Bloomberg Global Index (2020)

1. Spain
2. ITALY
3. Iceland
4. Japan
5. Switzerland

Territorial complexity

Regional differences

Diversity of stakeholders

20 Regions

7903 Municipalities

North-South:1200 km
(=Fredericia-Brennero)

East-West: 50-170 km

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SSN – FREE CHOICE AND HEALTHY? COMPETITION

Patients can choose a service / a facility anywhere in the country:

e.g. specialist visits, diagnostics, surgery, hospitalization.

Other services must be accessed in the municipality of residence:

(e.g. vaccinations, socio-sanitary services, protheses, aids for the disabled, or for patients with diabetes, celiac disease..

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NATIONAL QUALITY CONTROL – DRIVER OF INVESTMENTS

33 KPIs (max: 225)

REGIONE	PUNTEGGIO 2018
Veneto	222
Emilia R.	221
Toscana	220
Piemonte	218
Lombardia	215
Liguria	211
Umbria	210
Abruzzo	209
Marche	206
Basilicata	191
Lazio	190
Puglia	186
Molise	180
Sicilia	171
Campania	170
Calabria	162

HEALTH CARE CHALLENGES - highlighted by Covid

- Delayed National response
- Big differences among Regions
- Bottle necks (Hospitals vs local territories)
- Lack of Telemedicine solutions (frontrunners: Trento, Veneto, Toscana)

"NEW GUARANTEE SYSTEM" (2020)

88 KPIs:

Prevention (16)
Local Assistance (33)
Hospital Assistance (24)
Planning (4)
Social Equity (1)
Diagnostic-therapeutic assistance paths (10)

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NATIONAL DIGITAL HEALTH STRATEGY

. FSE - Electronic Health Records

. CUP - Centralized Call Center for reservations (front/back office)

. Digital Recipes (20/3/2020)

. Telemedicine, Territorial Assistance (17/12/20)

FIRST National Guidelines

Tele-appointments (with patient) Follows existing LEA requirements (recipe, reimbursement)

Tele-consultation (medical staff - with/without patient)

Tele-advice (medical / healthcare staff - with/without patient)

Tele-assistance (supporting patient (home) activities - e.g. rehabilitation)

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REGIONAL EXAMPLE: TUSCANY

TOSCANA

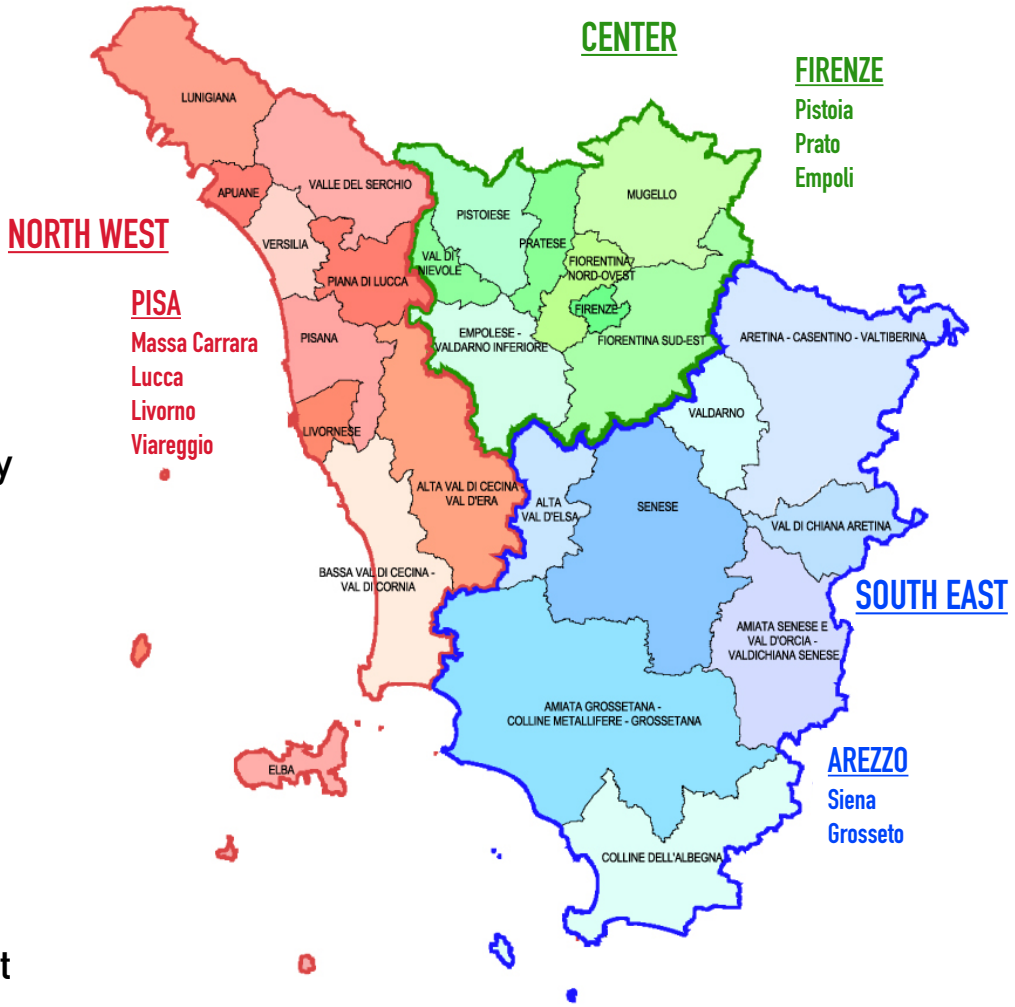
Mid-size: 9° 3,7 M citizens
Top performer: 3°
3 ASL Companies present in major cities

40 hospitals (4 university hospitals)
500 accredited health care facilities
50.000 doctors, nurses and technical staff

ESTAR, the technical-administrative company the Region is responsible for:

- procurement of goods and services
- warehousing, logistics, distribution
- information technology
- health technology
- selection processes of professionals
- payment processes and systems
- healthcare related real estate tenders

Procurement platform: https://start.toscana.it



Some tenders on: www.consip.it

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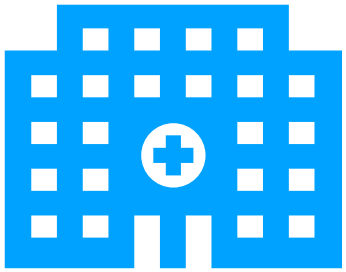
VARIETY OF SERVICE PROVIDERS – OFTEN PRIVATE



Hospitals: 1000 Government approved (52% public, **48% private)**

Medical Laboratories: 1279

Pharmacies: 20.000 **90% private**

=> Diagnostics, Home Assistance, reservation/payment (visits)

Health Care Spending
Public: 3/4
Private: 1/4

Care Homes: 6700

Private Caregivers: 369 Health Cooperatives

Numerous Non profit organizations

20% of clinical trials in EU*

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* www.aifa.gov.it/-/18-rapporto-nazionale-aifa-sulla-sperimentazione-clinica-dei-medicinali

PRIVATE SECTOR EMPLOYEES OUTNUMBER PUBLIC EMPLOYEES

1.4 million employed

648,000	SSN - Public employees
50.000	General practitioners + pediatricians working w/ SSN

120,000	Private Hospital staff
600,000	Employees in Private Clinics, Laboratories, Dental practices, Residential and Home services.

Medical Doctors: >400.000 registered in the professional organizations

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www.clusteralisei.it/en/settore-life-science

INVESTMENT BACKLOG – ACTION NEEDED NOW!

117 B €

2019

The National Health Care Budget is allocated to the Regions based on Demographics and Performance.

EU Benchmark

HEALTH CARE SPENDING / GDP

2017

ITALY: 8,8 %
Spain: 8,9%
Germany: 11,3 %
France: 11,3 %

Global Benchmark

HEALTH CARE EFFICIENCY

Bloomberg Global Index

ITALY RANK:
2014: 3°
2018: 4°
2020: 14°

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EMERGENCY FUNDING FOR HEALTH CARE

EMERGENCY FUNDING (spring 2020)
€ 7.5 billion + € 4.3 bn

.refinancing of the National Emergency Fund
.reorganizing the hospital network
.additional staff in the sanitary sector
.extra-hour payroll costs of NHS personnel
.increase of intensive care units
.subsidies to firms producing protective equipment
.requisition from private sector of sanitary equipment
.additional medical and nursing personnel in the military
.the cost of postponing retirement of medical personnel

CURA ITALIA 17 March 2020
LIQUIDITY DECREE 8 April 2020
RELAUNCH DECREE May 19 2020 ("Relaunch Decree").
www.mef.gov.it/covid-19

EIB Loan (summer 2020)
€ 2 B

- 3 500 new intensive therapy beds
- 4 225 semi-intensive care beds
- 4 mobile units with 300 intensive therapy beds
- restructuring of 651 A&E departments
- medical consumables and healthcare equipment, medical transportation
- 9 600 additional healthcare staff (including temps)

- support for territorial assistance, with reinforcement of infrastructure and digital systems for home and residential care services and for remote patient monitoring, activation of regional operational hubs for monitoring of patients

RECOVERY FUND
Tbd

"BIGGEST OPPORTUNITY EVER"

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www.bruegel.org/publications/datasets/covid-national-dataset
www.eib.org/en/press/all/2020-212-covid-19-italia-dalla-bei-2-miliardi-per-la-sanita

NEW HOSPITALS

NOT COMPLETE LIST
OPENING YEAR ESTIMATES

Milano, 2023

Trento, 2025

Valle D'Aosta, 2030

Pordenone, 2023

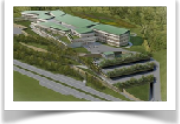
Cuneo

Padova, 2034

Piacenza, 2027

La Spezia, 2025

Livorno, 2027



Terni

Chieti

Roma
Latina
Sora

Sassari

Taranto, 2022

Napoli,
Salerno, 2024

Lagonegro

San Gavino

Siracusa

Hospital beds 2017: 191.000*
3,2 / 1000 citizens #24 in EU
Intensive Care: 5.000
(pre-covid)

*
1998: 311.000
2007: 225.000

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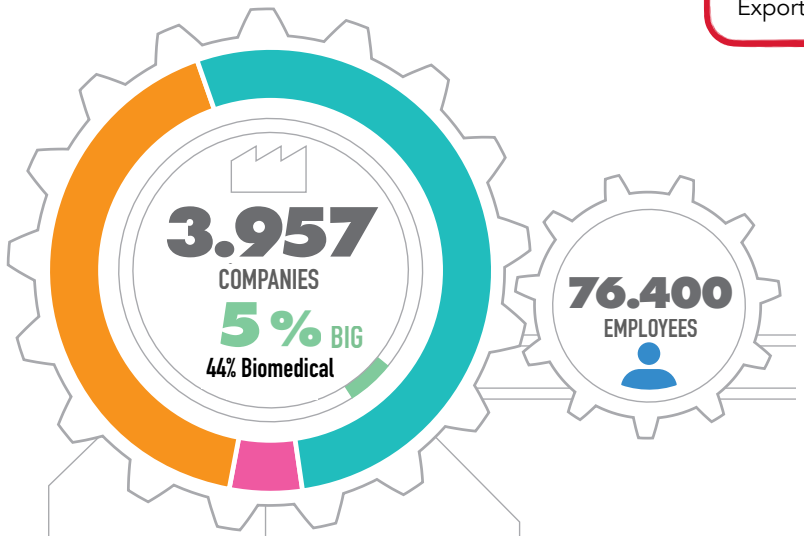
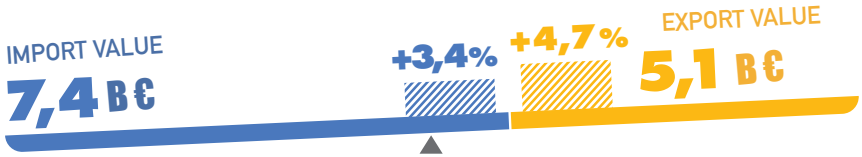
DYNAMIC MEDICAL DEVICE MARKET

ITALY's MEDICAL DEVICE INDUSTRY: 16,5 B €
Sales in Italy: 11,4 B €
Export Sales: 5,1 B €



42 %	5 %	53 %
1.655	202	2.100
DISTRIBUTION	SERVICE	PRODUCTION

POTENTIAL PARTNERS…



IMPORT
1° Germany
2° Netherlands
3° Belgium

EXPORT
1° USA
2° France
3° Germany

IMPORTS > EXPORTS
3rd importer in EU
after France/Spain

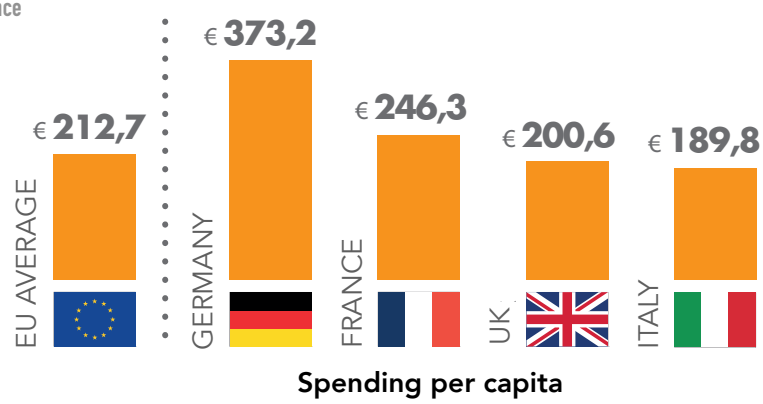
Industry | Trade

Sales

3rd EU Market
after Germany/France

11,4 B €
66% Public - 34% Private

SPENDING INCREASE INEVITABLE:
EU gap | Aging



Confindustria, 2017
www.medtecheurope.org/wp-content/uploads/2019/04/The-European-Medical-Technology-Industry-in-figures-2019-2.pdf

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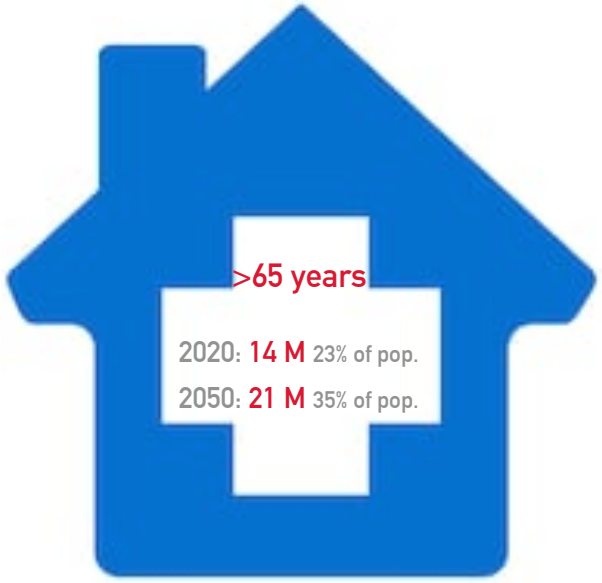
THE BIG QUESTION: THE FUTURE OF HOME CARE & ELDERLY CARE



FREE SSN SERVICES:

ADI - Integrated Home Assistance, activated for a limited period when somebody loses autonomy (medical and rehabilitation support in the home).

+++++ EMERGENCY ROOM +++++

NON SSN GUARANTEED SERVICES

NOT universally defined or FINANCED
(leaving families as primary caregivers).

SAD - Social Assistance in the Home, a municipal service to support daily activities (meals, personal hygiene) for the not self-sufficient (chronic and degenerative pathologies, disabilities, mental disorders, dependences).

RETIREMENT HOMES

Public, private or private with full/partial public funding.

Some daytime solutions (e.g. Alzheimers patients).

CAREGIVER COMPANIES - COOPERATIVES - NON PROFITS

Offering caregiving services, by the hour.

INDIVIDUAL CAREGIVERS

900.000 individual caregivers (typically middle-aged, foreign women, living with the family).

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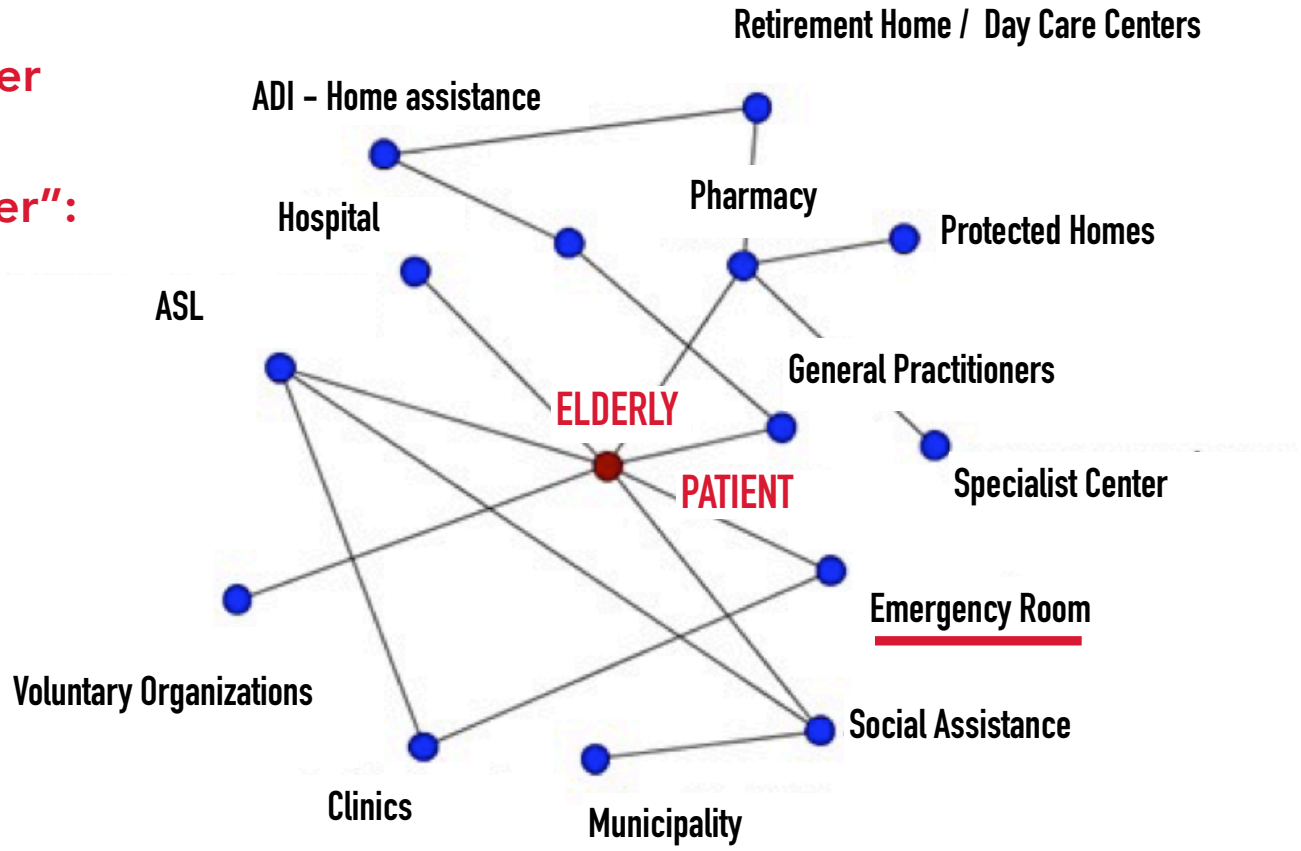
TODAY: PATIENT-DRIVEN

A professional caregiver describing "the patient at the center":



"borrowed" from Italian conference speaker…

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WHO WILL HAVE THE WINNING SOLUTION / MODEL?

Many different, private stakeholders are positioning themselves to service this market

INDUSTRIAL COMPANIES - turned service providers

Ex.: Medical gas producer now delivers outpatient and home care services (oxygen/ventilator/aerosol therapy, staff assisted home hemodialysis, artificial nutrition, augmentative communication devices etc.)

INSURANCE COMPANIES - new services

Ex.: Long Term Care Policy & Support

CARE HOMES - consolidating

Ex.: Bigger care homes managing an increasing variety of residences and outpatient services.

IT COMPANIES - adding services

Ex.: Health care software company (accounting, warehouse, planning, HR) now manages 100.000 patients and technology for 1000 laboratories.

COOPERATIVES - modernizing

Ex: Cooperatives are collaborating with startups to introduce new, digital services. Main driver has typically been job creation for workers/partners.

Systems integration, data and privacy require SCALABILITY & TECH SKILLS

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START-UP INNOVATION – A NATIONAL CHALLENGE

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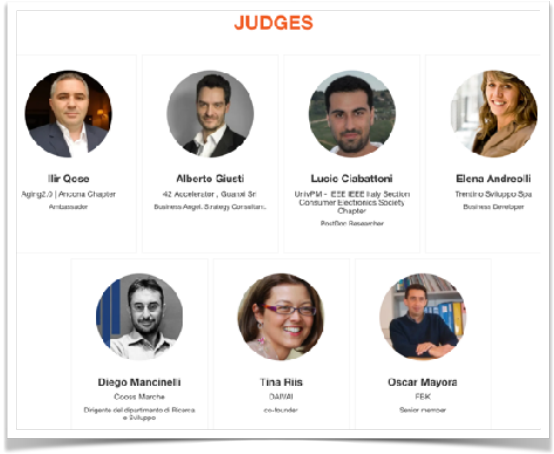
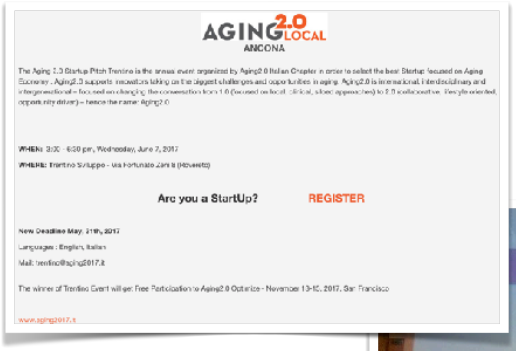
Digital Innovation Roadshow
in Italy's main Innovation Hubs

SMART HOME NOW
TRENTINO





2017 vs 2020

nively
locate what you value

GION
Gasparini Italian Open Innovation Network

HOME VISIONE EVENTI JOIN GIOIN PARTNER CONTATTI

DIGITAL MAGICS in collaborazione con GRUPPO 24 ORE Media Partner Radio 24

HealthTech

21 OTTOBRE 2020

Participating Startups:

- SurgiQ – AI-based workflow planning in health facilities
- PatchAi – Patient Engagement in Clinical Trials
- Docunque – PG SW – Marketing channel to doctors
- TeiaCare – Remote Monitoring in retirement homes
- nanomnia – Organic, biodegradable, microplasticfree encapsulation
- MEDIATE robotics – Endoscopic Robotics (colonoscopy)
- NATURAL DEVELOPMENT GROUP – Innovating Nutrition in Agriculture

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www.aging2.com/events/details/aging-20-ancona-presents-aging-20-startup-pitch-trentino-aging-in-community-technology

STRONG INNOVATION CLUSTERS

.Regulatory Framework

.Best Practices

.Technology: Robotics, Sensors, IoT

.Testimonials / Service Providers

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TAKE-AWAYS

Europe's most interesting health tech market because:

- Big & growing market (Aging)
- Major (digital+physical) infrastructure investments (€€)
- Rich eco-system of private businesses (Multiple channels)

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ADVICE

- Compare opportunities in more than one market/channel/region
- Create an Italian business case (savings - benefits)
- Build local partnerships - have patience - get support

THANK YOU !

TINA RIIS
+39 329 271 5142
tina.riis@daivai.com

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