



Strategic Agenda

2016-22



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Executive Summary

EIT Health is a dynamic, integrated network with a unique complementarity of public, private, academic and innovation partners, combining their strengths and engaging their assets to address the health challenges of an ageing population. With a pan-European outreach across various segments of the health value chain, the EIT Health Network is able to identify gaps and thus complement current partners' strengths; thereby connecting and creating a focused critical mass in health activities that often lacks in Europe. The Network's purpose is to promote entrepreneurship, education and innovation in the areas of healthy living and active ageing, and improve the healthcare systems in Europe, empowering citizens to lead healthier and more productive lives.

Our vision is that by 2022, improvements in the European healthcare systems will facilitate citizens' equal and fast access to high quality and affordable care across Europe, thus leading to improved health outcomes. This will build on investments in prevention thanks to new payment models, leveraging new technologies and integrating digital health, sharing health data for the generation of new solutions, and empowering citizens thanks to education. New healthcare provision models and best practices will be shared across Europe, reducing barriers to implementation and facilitating large scale deployment of new solutions. EIT Health will be recognized as the leading European Health Innovation Network catalyzing this development.

The EIT Health tools, PROJECTS, ACCELERATOR and CAMPUS ensure that multi-disciplinary teams spanning different sectors work together across Europe. EIT Health activities exploit the benefits of interlinking innovation, education and entrepreneurship and develop the competence to quickly scale-up solutions.

In 2016, EIT Health successfully reached its goals, involving over 110 SMEs, leveraging an infrastructure of more than 45 living labs and test beds and delivering 22 new products and services and 18 new start-ups, and engaging partners assets as seen by KCA of over €230 million in the first two years of operation. In the period 2018-2020, EIT Health will enter a growth phase, establishing the KIC on its path to creating impact: an anticipated increase in KAVA funding, together with stable processes and partner base, should allow EIT Health to grow considerably and start impacting on the healthcare systems and citizen of Europe.

The main elements of the strategy to create impact by 2022 include:

- Focusing and integrating resources from partners to address needs of healthcare providers, payers and citizens
- Engaging talent and partners' strengths and assets, delivering ROI in a clearly articulated value proposition
- Creating impact through collaborations with regions and cities to remove barriers for faster scale up and adoption of new solutions.

EIT Health's is the network for talent, innovation and entrepreneurship, empowering citizens to lead healthier and more productive lives. Adopting an investor approach, already demonstrated by the high level of contributions committed by partners to the anticipated activities, EIT Health will drive the integration of the knowledge triangle, transform approaches to innovation and function as a catalyst for transformative solutions and concepts, as well as their uptake and diffusion throughout Europe.

InnoStars – a unique concept for widening participation and outreach across Europe focuses on establishing new ties for expanding innovation and growth. EIT Health fosters cooperation, unlocking Europe's innovation and growth potential – developing and retaining the best talents, creating high-quality jobs and boosting the global competitiveness of European industry.

The overall goal for the period 2018-2020 is to grow EIT Health's base of activities and focus its resources to create tangible and relevant impact. This includes the generation of 5 major impact stories, e.g. large-scale implementation of solutions throughout European regions.

Outcomes will be measured with the help of the EIT Health Monitor, and will focus on creating impact around health, growth and sustainability measures.

EIT Health implements a lean, sustainable and demand-driven governance model. It has implemented incentives to ensure minimal administrative costs. It builds on the basis of transparency and efficiency (with clear rules for reporting and results-based operation), agility (with a flexible, scalable and self-learning framework) and connectivity (cooperation under strong leadership with project ownership and execution by the partners). EIT Health has incorporated a sustainable mindset from the beginning and is developing strategies to ensure sustainability of its operations beyond the 2022 period, taking into account the unique public-private context in which it operates.

Sources of funding (in kEUR)	2016	2017	2018	2019 -2022	TOTAL
EIT funding	20.069	34.225	56.142	344.700	455.136
NON-EIT funding of which:	77.948	158.036	176.243	1.373.875	1.786.102
1) Overall partners' contribution	76.714	156.869	175.243	1.366.875	1.775.701
2) Other sources	1.234	1.167	1.000	7.000	10.401
TOTAL	98.017	192.261	232.385	1.718.575	2.241.238

Table 1: Costs – indicative budget 2016 - 2022

1. Strategy

1.1 Strategic objectives of EIT Health

1.1.1 Disruptive forces and societal challenges

Over the past 150 years, average life expectancy has increased by approximately 4-5 years per generation. This is a tremendous advance for mankind and has contributed to economic growth and prosperity. However, it has also been accompanied by significant socio-economic challenges – an ageing population and a downward trend in birth rates has led to a reduction in the proportion of the population within the labour force. The gap between the active and inactive has widened, and pressure on health and social care costs for society has increased. These costs have risen as the number of older people in long-term care has grown due to conditions such as neurodegenerative and cardiovascular disorders, diabetes and cancer. Today, worldwide, healthcare spending accounts for over 10% of global Gross Domestic Production (GDP) with a Compound Annual Growth Rate varying between 6-19% in different regions of the world. However, there is the opportunity that through prevention and new approaches in treatments and healthcare delivery, we all can live healthier for longer.

Major challenges impacting future citizens' access to high quality care therefore include: an ageing population and a rise in chronic illness, increased costs of healthcare delivery and new technologies, including mastering the digital opportunities that arise, and entrenched social and healthcare systems with slow pace of change and adaptation. Unless these are addressed, future populations will live with diminished healthcare delivery and increased social and healthcare costs. The EIT Health Network is focusing its activities in the areas of healthy living and active ageing, as well as improvement and sustainability of the healthcare systems in Europe, thus addressing the challenges posed by increase of chronic diseases and an ageing population.

In parallel, the emergence of a series of disruptive forces is changing the way in which healthcare and prevention is perceived and will be provided in the coming years.

A number of potentially disruptive forces can impact the provision of health and represent opportunities for growth creation:

Technology	Life Sciences and Medical Technology	Consumer Products	Government and Payers	Telecoms
<ul style="list-style-type: none"> Scientific and technological breakthroughs are revolutionising the way healthcare is being delivered (e.g. in the field of medical informatics, molecular medicine or robotic surgery) Networks enhanced by 'social media' are changing patient care Increasing possibilities to manage, use and analyze 'big data' generated within the health sector 	<ul style="list-style-type: none"> Increasing focus on outcomes along the continuum of care with key players (care providers, medtech and the pharmaceutical industry) and citizens accountable to achieve desired outcomes Industry is increasingly engaging their customers (payers, providers and ultimately consumers) in developing citizen-centric solutions, developing data-driven insights and interventions, and restoring trust 	<ul style="list-style-type: none"> Consumerism is a new driving force Wearable products are part of strategies for preventive actions Retail is playing an increasingly large role in the delivery of care Payers are engaging customers directly and more frequently. 	<ul style="list-style-type: none"> Insurance products exist for health related matters – primary care, long-term care, end of life, government supplemental care Future approaches include the strategic use of behavioural economics Data generation/management capabilities enable differentiated reimbursement models incl. prevention and preventive diagnostics 	<ul style="list-style-type: none"> Telecommunications has become a key tool in improving outcomes through integration, communication and diagnostics Telemedicine is a rapidly growing and effective healthcare delivery method Telehealth is enhancing provider workflow and education

Figure 1: Disruptive forces in health

The forces at work are allowing the general public to participate in and influence the healthcare debate and demand societal change, which is moving towards healthcare prevention rather than therapy, where the individual takes greater responsibility for their health through better education, health information and lifestyle choices. To turn these forces into benefits for citizens and viable opportunities for business and industry, Europe requires investment and interconnection to foster talent and entrepreneurship towards innovation. EIT Health has been created to conceive, promote and manage a range of activities designed to address the changes that Europe is seeing in the area of health and well-being.

1.1.2 EIT Health Approach and strategy

The challenges facing healthcare systems are increasing in complexity, as new technology and demographic changes offer new challenges. In Europe, most healthcare systems face acute need for improvement and better resource utilization, impacting both operational as well as payment and delivery models, which will require strong leadership and cooperation across the value chain to be successful.

EIT Health is a large and diverse, strongly networked partnership, building on outstanding institutions across Europe that bring together unique strengths and activities in the areas of science, technology, education, business creation, innovation and access to citizens and market. The main stakeholders of EIT Health represent the main elements of the health value chain, namely: Healthcare thought leaders, regional and national policy makers, regions and city leaders, payers, patients, and citizens. Our activities will engage the whole value chain and integrate needs and strengths to create the best solutions with the highest chances of implementation. Additionally, our communication and PA activities will interact in a dialogue with the stakeholders to position EIT Health as the leading European Health Innovation Network.

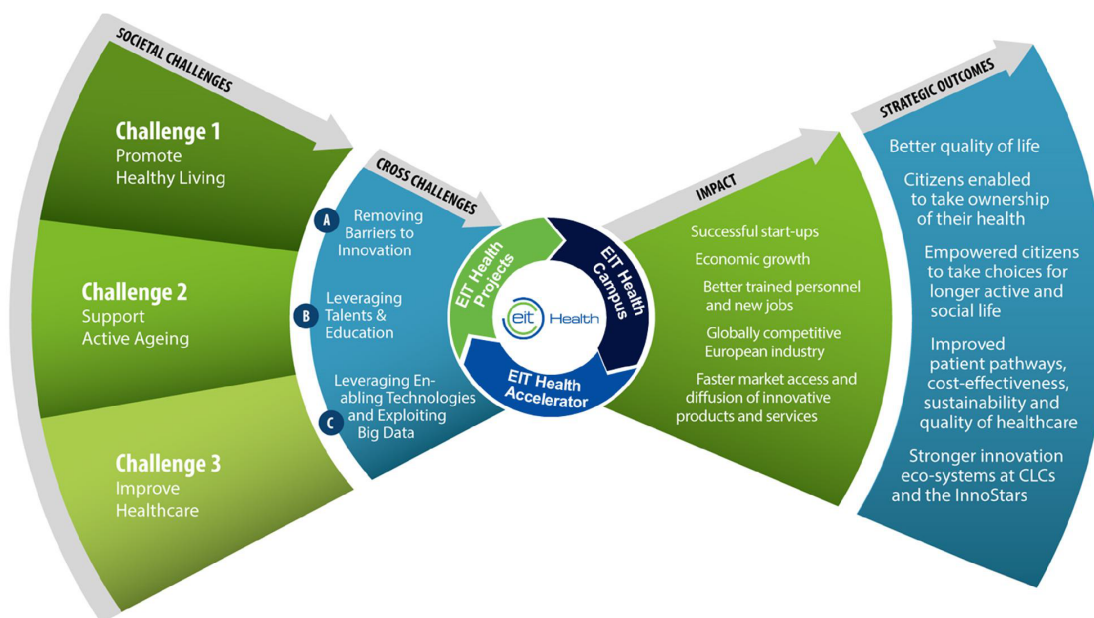


Figure 2: EIT Health Challenges – Activities – Impact

Our mission:

With a pan-European outreach across various segments of the health value chain, the EIT Health Network is able to identify gaps and thus complement current partners' strengths; thereby connecting and creating a focused critical mass in health activities that often lacks in Europe. The Network's purpose is to promote entrepreneurship, education and innovation in the areas of healthy living and active ageing, and improve the healthcare systems in Europe, empowering citizens to lead healthier and more productive lives.

It is the primary goal of EIT Health to improve the quality of life of European citizens. EIT Health partners have identified three specific societal challenges to address: **to promote healthy living, to support active ageing and to improve healthcare** and three cross challenges or “pathways to delivering impact”: Removing barriers to innovation, leveraging talent and education, leveraging enabling technologies and exploiting big data (figure 2).

EIT Health vision:

Our vision is that by 2022, improvements in the European healthcare systems will facilitate citizens’ equal and fast access to high quality and affordable care across Europe, thus leading to improved health outcomes.

This will build on investments in prevention thanks to new payment models, leveraging new technologies and integrating digital health, sharing health data for the generation of new solutions, and empowering citizens thanks to education. New healthcare provision models and best practices will be shared across Europe, reducing barriers to implementation and facilitating large scale deployment of new solutions. EIT Health will be recognized as the leading European Health Innovation Network catalyzing this development.

EIT Health Strategy:

EIT Health strategy has been developed with its partners and revised in the Spring of 2017, to include learnings from the first 2 years of operations. It builds on the principles defined by the EIT, and learnings from previous KICs, and engages assets and knowledge from the whole community across the three main elements of the knowledge triangle, e.g. education, innovation and business creation. The Network ++ is an integral part of EIT Health’s strategy and addresses opportunities and challenges above. It builds on connecting the partnership, sharing knowledge and assets to develop projects and activities. Aligning the partnership along joint goals and focus areas, identifying and understanding the EIT Health asset base, cataloging, mapping and understanding customers. The objective being to develop EIT Health as a high value-added network organization (Network ++) servicing, enabling, facilitating and supporting the development of critical mass throughout the consortium.

The main elements of the strategy to create impact by 2022 include:

- Focusing and integrating resources from partners to address needs of healthcare providers, payers and citizens
- Engaging talent and partners’ strengths and assets, delivering ROI in a clearly articulated value proposition
- Creating impact through collaborations with regions and cities to remove barriers for faster scale up and adoption of new solutions.

Strategically, EIT Health will focus and align its assets, activities and investment on key priorities in the domain of the defined challenges – **the promotion of healthy living, support for active ageing and improvement of healthcare**. EIT Health implements a strategy of participation of all the stakeholders involved that is aimed at providing excellence, particularly in European convergence regions. Over time, EIT Health will develop a clear focus emerging from key priorities and societal challenges addressed by EIT Health activities. Likewise, EIT Health strives to ensure that disruptive ideas can be further elaborated and transformed into concrete activities, through its innovation process.

Structurally, EIT Health integrates the knowledge triangle and brings together excellent organisations in the field of government/public sector, industry and business, education and research as well as citizens/users. Executing this quadruple helix enables EIT Health to achieve the critical mass needed to scale and roll-out solutions that bring tangible benefits to citizens. EIT Health has designed bottom-up and top-down processes that mobilize the partners’ assets to provide a balanced activity portfolio, thus facilitating disruptive innovation.

Operationally, the EIT Health tools and programmes ensure that multi-disciplinary teams spanning different sectors work together across Europe. EIT Health activities exploit the benefits of interlinking innovation, education and entrepreneurship (i.e. knowledge triangle integration). The contribution to, and achievement of, major health outcomes, such as prolonging unsupported lifespan, will be closely monitored and tracked.

1.1.3. EIT Health Participation

The activities are implemented through the three main EIT Health tools: EIT Health innovation PROJECTS, EIT Health ACCELERATOR and EIT Health CAMPUS. Use of the tools standardises the approach, improves evaluation criteria and aids communication between participating organisations and individuals. In addition, an approach for widening participation across European Convergence Regions, in support of the Regional Investment Strategy (RIS), is mandated through the InnoStars clusters.

EIT Health PROJECTS

EIT Health PROJECTS are multidisciplinary and build on partners' interest and assets. Focus areas will integrate activities from Business Creation, Education and Innovation within the identified challenges, "zooming in" on particular aspects and business objectives and aligning resources to deliver impact. Multidisciplinary collaboration is a key element in the proposal review and decision process:

- **Innovation by Ideas:** collaborative projects that are "solution-driven" and bottom-up, i.e. a potential solution has been identified that either capitalises on an opportunity or addresses a specific problem presented by demographic ageing of the population
- **Innovation by Design:** collaborative projects that are "needs-driven" and start from a recognised market need or societal problem – to deliver tangible results for citizens. They focus on identified needs and address barriers to implementation, accelerating market access, i.e. projects of high- and medium-risk level requiring strong consortia. Projects are the result of a top-down process, based on partners' interest but aiming at focusing resources and efforts to deliver impact within a reasonable time (i.e. 3 years).
- **Wild Cards:** projects with potentially transformative impact of healthcare, which – if successful – can constitute a major breakthrough in a healthcare/prevention related area. Wild card projects also seek to incubate new European businesses whose solutions address our objectives and demonstrate the end-user needs. Challenges for the wild card projects can be selected in connection to the chosen focus areas.

EIT Health ACCELERATOR

The EIT Health ACCELERATOR's goal is to transform the innovation process by bridging the fragmented European innovation ecosystems. Use of the methodology and supporting services is vital, so that access to relevant markets is achieved. EIT Health business coaches are embedded into EIT Health PROJECTS to assist in identifying business opportunities, needs for support, education and private equity access to support exploiting the commercialisation potential of research results. Organising EIT Health investors into an active network and attracting additional funding to EIT Health start-ups is one of the key strategies of the ACCELERATOR, together with facilitating access to expertise and first customers through the partnership. So is mobilizing and supporting entrepreneurs. The ACCELERATOR mobilizes the partners' assets that exist in terms of incubation and acceleration, including living labs, test beds, incubators and access to venturing.

The combined Head Start and Proof-of-Concept fund is used to support investment-ready projects (from partners), start-ups and very small SMEs. Hence, EIT Health is creating fast-track project opportunities with a focus on SMEs and start-ups, funded to rapidly initiate activities and facilitate disruptive innovation. The added value of the tools and activities is illustrated in Figure 3.

EIT Health CAMPUS

EIT Health is building a brand for excellence in education: EIT Health CAMPUS, a virtual marketplace for learning, is providing access to various modalities of educational activities combining technical knowhow and best pedagogic practices. Key activities focus on the interaction of industrial and academic partners, facilitating citizen empowerment, building a professional certification scheme and developing a cross-pillar ALUMNI network. CAMPUS makes fragmented offerings of our partners available and complements fragmented training with novel types of modules, such as the entrepreneurship lab or summer school, blended learning as part of the wider MOOCs option or novel Master's in Health Innovation and relevant new PhD trajectories. By targeting its offerings to students, entrepreneurs, professionals and citizens alike, CAMPUS focuses on innovative education and training that complements existing programmes and, finally, innovates education itself.

It is foreseen that innovation PROJECTS will make use of existing educational offerings and/or co-create with education partners to add new educational offers, thus making the portfolio of the marketplace for learning 'needs-driven'. A strong cooperation between PROJECTS, ACCELERATOR and CAMPUS will further promote a vibrant ecosystem for developing future entrepreneurial talents, products and services.

The InnoStars – EIT Health’s Approach for Widening Participation across Europe

The InnoStars are regional clusters of EIT Health Associate Partners representing industry, academia, research and healthcare providers linked to predominantly convergence regions. The knowledge, experience and unique capabilities of InnoStars, as well as the diversity of their populations, associated lifestyles, regulatory frameworks and healthcare systems help overcome barriers of rolling out innovations across Europe. Additionally, the InnoStars represent attractive markets and regions open to testing/piloting new innovative healthcare solutions. InnoStars is responsible for the implementation of EIT Health’s Regional Innovation Scheme (RIS). This initiative supports the extension of EIT Health’s activities to less-developed regions of Europe that are not directly benefiting from the achievements of the KIC. Aligned with EIT’s RIS guidelines, InnoStars focuses on knowledge sharing, capacity building, knowledge-triangle integration and establishing a coherent pipeline for talents and start-ups.

The overall RIS concept is based on a two-step learning process, where knowledge flows from EIT Health CLCs through InnoStars regions towards RIS regions located outside of the network of the KIC. InnoStars regions act as mentors and utilize their knowledge – adapted from EIT Health CLCs – to:

1. Open up EIT Health’s best-in-class education and business creation programmes for participation for all relevant stakeholders of the RIS regions (students, entrepreneurs, professionals, start-ups, SMEs, citizens, payers and healthcare providers).
2. Support RIS regions in local capacity building, in order to have the necessary knowledge and expertise for local innovation hub development. As a part of this process, RIS regions can learn and adopt EIT Health best practices and implement similar education and business creation programmes financed from local funds.

InnoStars also contribute to the interconnectivity of funds by attracting available structural, national or other H2020 funds to implement integrated projects along the key pillars of the knowledge triangle. Each InnoStars and RIS region will provide innovation infrastructure, funded by Structural Fund investments. Furthermore, participation in EIT Health activities allows these regions to attract additional investment and add value to new 2014–2020 convergence projects.

1.1.4. EIT Health Business Objectives

EIT Health’s purpose is to address the three main challenges described above. To deliver on its objectives, EIT Health develops and integrates activities related to education, business creation and innovation, thanks to, and through, the partners in its network. Specific business objectives have been developed addressing the societal challenges and linking to pathways to impact creation (cross challenges):

Challenge 1: Promote Healthy Living

Business objective 1.1: Self-management of health, centred on enabling individuals and their families to take charge of their own health by detecting early signs of disease or functional loss that may impact upon their health later in life, and better understanding and monitoring

Business objective 1.2: Lifestyle intervention. The second business objective is to develop products, services and citizen-oriented strategies to encourage positive lifestyle changes, by e.g. better nutrition, reduced tobacco and alcohol consumption, greater physical activity, stress management, and wider leisure and social networks.

Challenge 2: Support Active Ageing

Business objective 2.1: Workplace interventions. This objective encompasses health promotion and disease prevention to improve employability. It aims to optimise the physical working environment and work experience with the use of assistive technologies to allow older citizens to work safely for longer. An additional goal is to allow older employees to be retained for longer and pass on their experience and know-how to younger employees. Flexible work arrangements and modified pension schemes can provide a gradual transition from work to retirement to allow this.

Business objective 2.2: Overcoming functional loss. The aim is to deliver solutions for age-related metabolic, motor, and cognitive dysfunctions at home and at work, in urban and rural environments as well as in healthcare settings, allowing extended period of independent life.

Challenge 3: Improve Healthcare

Business objective 3.1: Improving healthcare systems. Successful health interventions require the integration of service delivery across different care modalities (primary, secondary, rehabilitation care, long-term) and sectors (social, health, etc.). This is particularly important in light of the growing number of citizens living with multiple chronic diseases. This business objective aims to establish a holistic continuum of care solutions in home and clinical settings.

Business objective 3.2: Treating and managing chronic diseases. This business objective aims to develop methods, solutions and concepts for improved treatment and management of chronic diseases, e.g. diabetes and cancer.

Cross-challenges and EIT Health Activities

Resolving the societal challenges described above will require a cross-sector approach. EIT Health has defined these important cross-challenges (or pathways to impact creation) to be: (A) removal of barriers to innovation, (B) leveraging education and talent creation, (C) leveraging enabling technologies and exploiting (big-)data.

Cross-challenge A - Removing Barriers to Innovation

EIT Health ACCELERATOR activities – the EIT Health ACCELERATOR is to be used to make the innovation process more efficient and effective by tackling the barriers to innovation. Activities incorporate innovation matchmaking, user ideation and validation, innovation training and support, market preparation and expansion. The activities are pursued under the EIT Health ACCELERATOR as illustrated in Figure 3 and form the measures on which project KPIs are determined and assessed.

Cross-challenge B - Leveraging Talents and Education

The integration of academic teaching, entrepreneurial training and the sharing of best practice in innovation remains underdeveloped but is essential across the EU health and care market. Education for current and future entrepreneurs, and innovators, health professionals and leaders in the sector as well as citizens needs to be readily accessible. Educational programs must be key elements of the previously mentioned societal challenges. They should also come to terms with the implications of the digital revolution for both learning methods and business practices. EIT Health activities within the EIT Health CAMPUS will use new tools and formats following the STELLAR methodology. Qualitative measures will be developed to monitor the success of the STELLAR activities.

Cross-challenge C - Leveraging Enabling Technologies and Exploiting Big Data

Developments in medical and diagnostic technology, including artificial intelligence, as well as developments in the availability of medical, behavioural and social data (big data) have dramatically increased in recent years. This offers significant opportunities to EIT Health.. Other challenges include the heterogeneity of data sources such as national patient registries, electronic health records and data generated by a multitude of medical, wearable and non-wearable mobile devices. Cross disciplinary projects from the EIT Health Innovation Project portfolio will be able to use these opportunities and EIT Health campus will contribute to educating the workforce on the new skills required to fully exploit these new technologies.

1.1.5. Setting the focus

EIT Health has the critical mass to tackle the societal challenges outlined above. The integration of the knowledge triangle and of industry and business, governments, healthcare, university and research as well as citizens and users in the quadruple helix is instrumental for achieving health outcomes. EIT Health will bundle efforts and concentrate investment in focus areas where potential solutions are designed, scaled and rolled out, addressing societal and market needs. EIT Health will develop specific competencies for scaling solutions. Figure 3 illustrates this process.

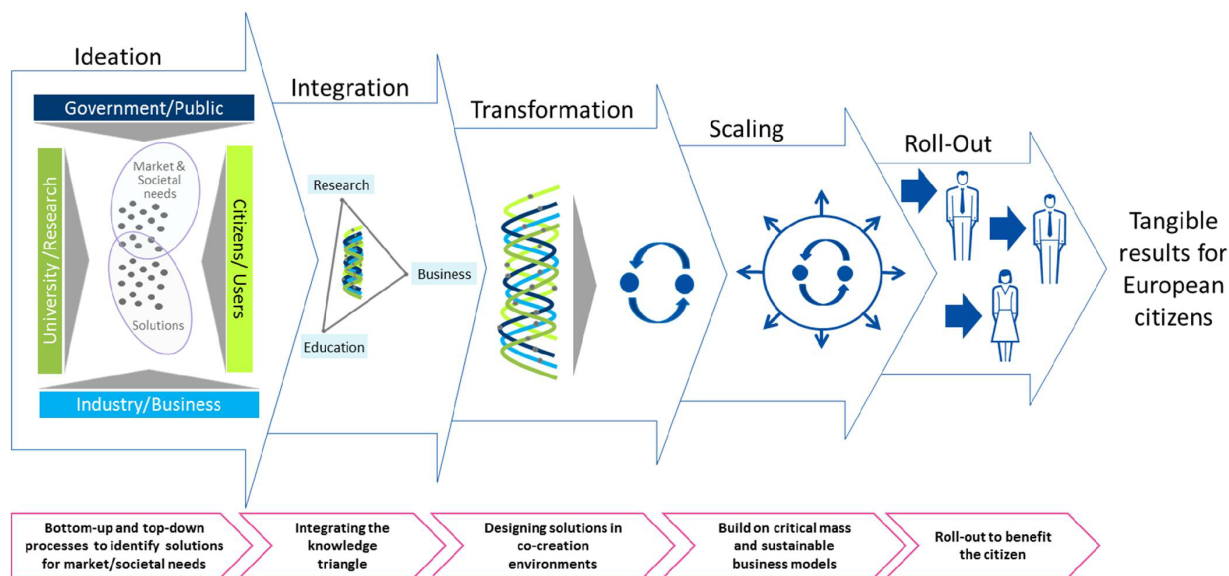


Figure 3: EIT Health Development Process

EIT Health business planning is guided by a portfolio approach. As a basic principle, all activities must be excellent in a stand-alone assessment, but higher impact can be achieved through their integration across pillars. This is done for example through their alignment within a chosen focus area. The EIT Health management will take care to balance risk and feasibility on the one hand, as well as long and short-term impact projects on the other hand, through a portfolio approach. Strong criteria for selection of the projects and desired values are applied to ensure a balanced portfolio.

Finally, EIT Health will integrate the knowledge triangle at activity level. This is executed by individual activities building on actions in the different areas, i.e. an innovation project will contain education components and use the services of the ACCELERATOR, for example to get access to test beds and living labs. Activities are implemented by multi-disciplinary teams which were formed across CLCs, disciplines and sectors. EIT Health seeks to develop the scaling of solutions as a core competence in its innovation profile. To this end, the critical mass of its partnership will enable EIT Health to create positive impact for citizens across Europe.

1.2 Growth strategy 2018-2020 and Plan to increase output and impact

The EIT Health strategy was developed during the Innolife phase of its creation. In 2017, after two years of existence, the strategy was revised in a process engaging the core partners. This will be repeated at regular intervals (every 2 years) to adjust and integrate learnings and new opportunities that appear along the way.

In the “start-up” phase, 2016 and 2017, EIT Health’s focus was on building its operations and running the first portfolio of activities. In 2016, EIT Health successfully reached its goals, involving more than 110 SMEs, leveraging an infrastructure of more than 45 living labs and test beds and delivering 22 new products and services and 18 new start-ups. In the period 2018-

2020 EIT Health will enter a growth phase, consolidating the KIC on its path to producing real results: an anticipated increase in KAVA funding, together with stable processes and a partner base, should allow EIT health to grow considerably and start impacting the healthcare systems and citizens of Europe. A clear strategy has emerged for both ACCELERATOR and CAMPUS, and the period 2018-2020 is expected to yield tangible results from these activities. For INNOVATION, we have identified a need to upgrade our process to balance and focus the portfolio of activities, creating more transformational innovation, building on integrating partners' assets and interests. The strategy process in 2017 engaged core partners to refine key strategies and set internal objectives for 2018-2020. The outcome of the discussions centered around three main growth strategies: **Focus, Engagement and Integration.**

Focusing the community to build a strong innovative portfolio

A large part of our activities (and funding) are aimed at developing and implementing innovative products, services and solutions to improve or transform the delivery of healthcare, either by incorporating new technologies or research results or by reorganising the resources around the patients, thereby changing the pathways of healthcare delivery. This should lead to better use of resources, thus allowing for more healthcare delivered with fewer resources. For EIT Health that means the development of a focused portfolio of innovative projects, balancing risk and outcome. Some 60% of our innovation portfolio will be built around larger "Innovation by Design" projects centered around areas of focus, with the support from activities in ACCELERATOR and CAMPUS to deliver high impact. These will be identified through a top-down process, with focused calls engaging the joint effort of the network and relating to concrete needs from healthcare providers.

Focus areas are based on our internal assets, capabilities and partners' interests, as well as health innovation needs, and allow us to select and concentrate our efforts on some areas where we want to create impact in the period 2018-2020. These efforts can be focused on disease (such as diabetes or Alzheimer's), technology, point-of-care, process etc. Main strategies include as well aligning across the knowledge triangle, to build a strong portfolio of high-quality projects and activities based on healthcare needs and network strengths. Key activities include mapping and sharing network assets, and a continuous dialogue with Health Care Providers and other "demand" stakeholders.

A "Think Tank" has been put in place (2017), creating a dialogue between the Health care providers and payers (regions, hospitals, and insurances) on the one hand and the scientists and innovators providing potential solutions on the other. Its purpose is to identify areas of high interest where our partnership can align its resources and capabilities and create concrete collaborations around Europe, linking with other initiatives to speed up the deployment and adoption of innovative solutions.

Engaging the partnership and other stakeholders – Network ++

EIT Health delivers impact through and with its partners, and therefore their engagement is key to success. Together the partners bring a wealth of experience and competence, which needs to be clearly mapped and made available in order to integrate and engage the whole partnership. Other important stakeholders also need to be engaged actively in the development of EIT Health activities, including citizens, for example through patient associations, and healthcare providers and payers (regions, cities and insurers), for example as networked partners. Main strategies include demonstrating value and delivering ROI to the partners, and integrating other stakeholders into the EIT Health innovation process. Key activities include developing ideation workshops and WPO for innovation activities; providing CLCs and partners additional resources to increase quality of projects and activities submitted, thus increasing chances of funding (i.e. fewer, but higher quality projects/initiatives); and opening the innovation process for citizens and patients.

Collaborating and Integrating - people and data

Although still in the early phase of its development, it is important that EIT Health delivers tangible and relevant results, to prove its value (both to partners and external stakeholders) and establish itself as a powerful health innovation network in Europe. Integrating all stakeholders in the generation of new solutions will be an important aspect to increase adoption of these solutions. Too often innovation is not picked up and integrated into the standard of care, due to resistance to change, or increased perceived costs.

Collaborating with regions and cities, healthcare providers and payers, will be key to scale up and implement projects/initiatives; this implies integration of patients, providers and payers in the generation of new projects and activities. The Think Tank will also be an instrument to identify and generate new collaborations to speed-up implementation across Europe.

An important strategy to deliver more health and ensure access to healthcare for future generations, is to empower citizens to manage their health rather than their diseases. This implies shifting resources to prevention and the need for business models allowing for investments in this area, as well as education activities to support both citizens and health professionals to create that change. One enabler to speed up these changes is found in exploiting the opportunities offered by connecting and integrating data and care around the patient (digital health). EIT Health projects will build on a triangle, involving data, technology and outcome.

In conclusion, we shall promote projects and activities **connecting and using patient and citizen data** to identify and develop novel integrated solutions for care, explore the opportunities of digital health and big data, and establish a path for collaboration with regions and cities, such as EIP-AHA initiative, smart and healthy cities etc.

KIC's strategic goals 2018-2020

Our definition of success includes the development of an effective network, combining expertise and data to deliver a positive impact for citizens, leading to more healthy years lived and increased productivity, as well as new jobs created by skilled and talented individuals. Our Health Monitor (see below) proposes relevant KPIs that will be monitored to show impact creation. A few top-level goals have been identified to guide our development towards delivering impact by 2022, relating in particular to delivering innovation in health:

- Delivering 5 major impact stories across Europe by 2020
 - Large scale implementation of innovative solutions with innovative regions
 - Driving growth and competitiveness across Europe (KPI: nbr goods and services)
 - Enabling European entrepreneurs to create new business (KPI: nbr start-ups supported)
 - Supporting user-driven innovation and citizens engagement in health (KPI: nbr citizens engaged)
 - Strengthening regional integration and widening participation (KPI: nbr pilot projects in RIS)
 - Delivering attractive and innovative education and training programmes that are adopted across Europe (KPI: nbr programmes adopted by the market)
- Portfolio building activities shall involve actively healthcare providers, payers and citizens in the generation of new projects and solutions

The value added of the KIC:

EIT Health is in a unique position, thanks to its partners' commitment and integration, to catalyze the development and large scale implementation of new solutions, empowering citizens to manage their health, driving the transformation of healthcare delivery in Europe, thus ensuring sustainable access to quality, affordable healthcare for future citizens:

- Collaboration with innovative regions (through EIP AHA or other EU initiatives) will be pursued to enable implementation, break down barriers and demonstrate impact
- Participation in the Digital Agenda
- Think Tank feeding new policy development needs
- New funding opportunities (EIB, investor network) will be created to support deal flow of innovative start-ups
- Collaborating with global education leaders to develop future healthcare professionals and leaders and secure resource and competence

1.3 Innovation and synergies

In order to efficiently utilise the existing knowledge and resources in health innovation, EIT Health will promote the cooperation with the existing EU initiatives and funding programmes seeking to simplify, advocate and leverage our activities and environment. It will ensure maximum benefit by exploiting synergies and avoid the duplication of activities. These collaborations can contribute with knowledge, infrastructure, test beds, external project partners, or co-funding (KCA) opportunities for EIT Health partners.

Synergies within EIT Health

EIT Health has developed the "InnoStars" network setting a good example in forming new ties with countries on Europe's

periphery as well as the interconnectivity of H2020 and ESIF funds. InnoStars Regions provide innovation infrastructure, funded by the ESIF investments and made available for use by EIT Health. Participation in EIT Health allows regions to attract additional investment to new 2014-2020 convergence projects. WIDEPSREAD partners could harmonize their research agenda with EIT Health in exchange for strengthening their application for the next phase through EIT Health ties.

There is as well great potential to align the work of the EIP AHA Reference Sites with the work of EIT Health partners. In particular, collaborations on implementation of new solutions could lead to faster adoption and impact on regional level.

Synergies with other EC bodies and programmes

There are thematically relevant Horizon 2020 programmes governed by DG Research and DG Connect, to which EIT Health can contribute. In the medium term, the main goal is to ensure the continuous exchange on the strategic agendas and working programmes with relevant EC DGs, such as DG Research, DG Connect and DG Sanco. To this end, a Strategic Advisory Group has been created with DG Sanco, RTD, EAC and Connect in 2016. The group meets twice per year and its main purpose is to identify concrete collaboration opportunities building on each other's main initiatives. Together with the EIT Health Think Tank, these two instruments allow for synergies with existing initiatives and impact on health innovation and health policy.

EIT Health-offers opportunities to gain practical skills and experiences in a real entrepreneurial environment, providing an excellent basis for Erasmus mobility programmes. In addition, ERASMUS+ can rely on the excellence and wide network of innovative KIC partners which ensures high-quality, needs-driven innovative approaches and fosters wider impact in education reaching out to different programs and partner countries.

Synergies beyond Europe

With leading US institutions (such as HBS) there are potential synergies, as also in the US, the health system is facing similar pressures. Executives, professionals, regulators, providers and payers need new tools to overcome these challenges. For example, cooperation with prestigious US institutions, which also have started to set up initiatives to innovate professional and executive education, can contribute to overcome our outlined challenges. For the the outcome and performance measurement, EIT Health will take into account the framework of international organisations such as the WHO and OECD.

Initiative / Programme	H2020 DG Research and DG Connect projects	Erasmus +	European Structural and Investment Funds	H2020 Widespread programmes	H2020 Sme Initiative and COSME cluster programmes	European Innovation Partnership on Active and Healthy Ageing (EIPAH)	Innovative Medicines Initiative 2 (IMI2)	Other EIT KIC projects (e.g. ICT Digital)
Challenge 1 – Healthy Living	x			x		x		
Challenge 2 – Active Ageing	x			x		x		
Challenge 3 – Healthcare Systems	x			x		x		
Innovation Barriers			x		x	x	x	x
Education & Talents		x	x				x	x
Business Creation			x		x	x		x

Table 2: Synergies with other European and international initiatives

1.4 Partnership Overview

EIT Health is a network with a unique complementarity of public, private, academic and innovation partners, combining its strengths and assets to address the health challenges of an ageing population (i.e. by promoting healthy living, supporting active ageing and improving healthcare). Our focus on innovation and entrepreneurship, as well as education of future health professionals, combined with substantive investments by our partners, places EIT Health in a unique position to catalyse the development and implementation of transformative solutions that empower citizens to manage their health while also aiming at supporting sustainability of healthcare systems, thus ensuring access to quality healthcare for future citizens.

EIT Health has formed six co-location centres across Europe: in London (UK/Ireland), Stockholm (SCAN), Barcelona (ES), Paris (FR), Heidelberg (GER) and Rotterdam (BENE). All six co-location centres are defined by the EU Innovation Scorecard as high innovation performers and have several collaborative partnerships with reference regions in the European Innovation Partnership on Active and Healthy Ageing. Each co-location centre and the InnoStars are characterised by geographical and/or functional proximity, providing the density and critical mass required for the creation of a stimulating innovation eco-system. They provide a shared physical space, with potential access to laboratories, test beds, offices and seminar rooms to promote close cooperation.

Complementary Competencies and a Purposefully Designed Consortium: to address the challenges identified, we have built a diverse, multidisciplinary and complementary partnership. Partners were selected with the clear intention of involving leading stakeholders throughout Europe from medicine and diagnostics, imaging and other medical technology, the ICT sector, the pharmaceutical and consumer goods, insurance companies, biotechnology, health and social care and finally the public sector. The mobilization of the complementary assets of the partners through EIT Health activities creates a unique combination of competences and strengths across European geographies and stakeholders to address and overcome the health challenges facing Europe today. The relatively high proportion of corporate Partners will ensure EIT Health remains focused on the exploitation of market opportunities. The combined core competencies of the consortium contribute to the five main dimensions of EIT Health (education, R&D, business creation, corporate and social innovation), which is illustrated in Figure 5. The blue circles indicate the number of partners involved in each sub-dimension to illustrate both the diversity and balance of the consortium as a whole, the white circles refer to the number of currently committed Associate Partners in that segment. This dynamic and integrated network offers opportunities for learning, sharing, diffusing and scaling of new solutions.



Figure 4: Core Partners and selected Associate Partners of EIT Health (2017)

Reaching out across Europe - The InnoStars are an Integral Part of the EIT Health Partnership: The InnoStars represent EIT Health's determination to reach out to less developed yet innovative regions. By integrating them, the partnership can tap into new ideas, talent and capacities. Each region has research specialties strategically aligned with the EIT Health mission, particularly regarding e-health, nutrition, public health, medical imaging and neurodegenerative diseases. Partners have broad experience in the successful launch of spin-offs and start-ups.

Uniting best-in-class Partners

- **Corporate innovation:** as described above, EIT Health brings together the world's leading and most innovative companies. With a cumulative R&D spend of over EUR 35 billion per year and a combined total of nearly 1.3 million employees they represent Europe's leading industrial force.
- **Education and research:** EIT Health encompasses the top ranked medical, engineering and technology universities as well as business schools: 15 top 100 Universities (Shanghai Ranking) and seven top 10 Life Science and Medical Universities in Europe (QS World Ranking). Also, it should be noted that many EIT Health Core Partner universities include affiliated university hospitals. Together the academic partners have received hundreds of ERC grants. On average, about 170 spin-off companies are created every year by EIT Health academic partners. The combination of these qualities forms an excellent base from which to accelerate research and attract the world's best talents.
- **Financial community:** EIT Health has established strong links with the financial sector (banks, VC and business angel networks) with a focus in the health sector. Corporate VCs inside EIT Health add to the strength of the consortium.¹
- **Health and social care providers:** EIT Health brings together the top European public and private healthcare providers, and public and university hospitals which together treat more than 17 million patients annually. For example, all health and social care providers in the region of the Scandinavian CLC are active Core or Associate Partners of EIT Health. It is a unique strength of EIT Health that many Core Partner universities also include excellent university hospitals.
- **Social innovation:** The insurance companies involved are able to reach out to more than 10 million customers. Through this vast healthcare network, a critical mass of patients and patient data are available for use in EIT Health's projects and activities.
- **Innovation networks:** The broad network and affiliated clusters² (many of them Gold labelled by the European Cluster Excellence⁴) of each CLC allows EIT Health to attract SMEs, start-ups and private equity investors, and helps to link them to the KIC. EIT Health will be able to directly reach approximately 4500 SMEs currently active in relevant fields.
- **Fostering entrepreneurship:** Several EIT Health partners have a proven track-record in supporting entrepreneurs in setting up and growing innovative ventures. In particular incubators, technology transfer organisations but also corporate VCs within the consortium are amongst strongest performing all over Europe.
- **Innovation infrastructure:** EIT Health partners contribute living labs and test beds to accelerate and develop innovation activities and maximise outputs by incentivising innovators through collaboration with payers and investors.

¹ Corporate VCs include: Abbott Ventures Inc., AbbVie Biotech Ventures, Inc., AXA Seed Factory, Aliad (Air Liquide), Bayer MaterialScience and Bayer Innovation, GE Healthymagination Fund, Global Business Development Organization (P&G), Intel Capital, Inventages, Mérieux Développement, Novo Ventures, Philips Venture Capital Fund BV, Roche Venture Fund, Sanofi-Genzyme BioVentures, SEB Alliance, Siemens Venture Capital, Telefonica Ventures

² Gold labelled clusters: Germany: BioRN, Bio-M; France: Cap Digital, Minalogic, Systematic;
Bronze labelled clusters: Germany: Medical Valley; Spain: Biocat, Kids Cluster; France: Finance Innovation, Lyon Biopole, Medicen, Moveo;
Scandinavia: Uppsala Bio

2 Governance and Business Model

2.1 Governance

EIT Health implements a lean, sustainable and demand-driven governance model. It has implemented incentives to ensure minimal administrative costs. It builds on the basis of transparency and efficiency (with clear rules for reporting and results-based operation), agility (with a flexible, scalable and self-learning framework) and connectivity (cooperation under strong leadership with project ownership and execution by the partners).

The top management from the KIC partners is highly committed to EIT Health and has allocated resources to build the partnership and to anchor its objectives. The choice of a German association (“Verein nach deutschem Recht”) for the KIC LE, headquartered in Munich, represents an optimal legal structure and an excellent fit with EIT Health’s business model and sustainability strategy. The partner contribution will sustain the operations of EIT Health with all EIT contributions being used for activities.

2.1.1. Principles and goal orientation of EIT Health governance

The EIT Health governance structure is designed to efficiently implement EIT Health’s strategy. The key principles of the EIT Health governance model are: **Transparency, Efficiency and Agility** and, enabling best practice sharing, **Connectivity**. In order to implement these principles, The EIT Health governance structure rests on:

- A strong KIC LE with an independent HQ to guarantee efficient governance at that level.
- Highly interconnected CLCs and InnoStars, all being independent legal entities, bound by a cooperation agreement with the KIC LE and supporting a culture of joint governance.
- A balanced and manageable eco-system of partners even beyond the knowledge triangle with the responsibility, capacity and expertise to initiate and execute activities.
- Constantly striving to improve operational efficiency and effectiveness by evaluating performance against achievement of KPIs, and learning from ongoing experience and sharing best practices. EIT Health is a learning organisation.

Overall, the governance model fulfils the dual purpose of fostering innovation processes and ensuring they are in line with the objectives of EIT Health. The management team has been selected based on best-in-class performance.

2.1.2. EIT Health structure

The CLCs, the InnoStars and the KIC LE

The CLCs and the InnoStars are responsible for facilitating EIT Health’s activities at a regional and national level. Situated in leading innovation eco-systems, they promote cooperation within and across CLCs, supporting the KIC LE and partners, offering the necessary infrastructure and intelligence.³ They offer possibilities for a ‘soft landing’ in other markets (inbound and outbound) and in general act as business promotion agencies for EIT Health. Each CLC and InnoStar comprises a set of partners covering the knowledge triangle. The CLCs have established specific mechanisms for their management and decision-making and have established their own legal entities following national legislation. Each CLC assembly has appointed its own board of directors. The InnoStars partners have an InnoStars assembly and an InnoStars Director. Within each CLC there is a functional proximity among the partners, i.e. a close cooperation and interaction in education, research and business within the field of healthy living and active ageing. Each CLC legal entity has signed a cooperation agreement with the KIC LE, stating the common objectives, the general rights and obligations and modus of cooperation. InnoStar members are Associate Partners (see definition of partner types below) and form a designated legal entity that also signed a cooperation agreement with the KIC LE to ensure efficient cooperation.

The KIC LE has been established as a non-profit association under German law (“Verein nach deutschem Recht”) by a delegation of Core Partners and has been joined by all Core and Associate Partners as members at the end of 2015. The legal formalisation of the EIT Health community takes into account experiences from existing KICs as well as the evaluations and

³ The innovative capacity of the CLCs is e.g. proven by the Forbes 2013 report on “World’s most inventive cities”, where major cities from EIT Health’s CLCs are ranked in the top 15: Eindhoven 1st, Grenoble 5th, Stockholm 8th, Stuttgart 6th, Munich 10th, Mannheim 11th, Copenhagen 14th.

recommendations of the EIT. It is the official legal body responsible for all contractual relations with the EIT and has signed the Framework Partnership Agreement (FPA). The KIC LE finances the executive management team (including CLC Directors) with member contributions. The KIC LE is also responsible for strategic planning and decision-making, KIC financial management, supervision and monitoring of the activities of the CLCs, InnoStars and their partners, project evaluation and the allocation of funding received from the EIT and the member contributions. At the end of 2015, EIT Health implemented a Code of Conduct and a policy on conflicts of interest.

Location of the KIC LE, the CLCs and the InnoStars – The EIT Health local innovation hubs

The Headquarter

The KIC LE HQ is located in Munich, a vibrant business and academic community with excellent transport connections throughout Europe and to the rest of the world. The decision to locate the KIC LE HQ away from the German CLC was a strategic one based on the experiences of existing KICs. The HQ and CLC have different functions and the separation will avoid potential conflicts of interest.

CLCs / InnoStars

The CLCs and InnoStars have been established and are fully operational since the end of 2015.

GERMANY
The CLC, German EIT Health GmbH, is located with offices in Mannheim at Roche Diagnostics and in Heidelberg at Technology Park. The innovation ecosystem around Heidelberg and Mannheim in the Metropolitan regions MRN combines its highly experienced track record of having the first German leading edge cluster in Life Sciences. The regional cluster covers 150 SMEs with its own R&D units in the biotech and med-tech sector. The region has a highly qualified workforce, with the number of people working in R&D being twice as high as the in the rest of Germany.
BELGIUM-NETHERLANDS
The CLC is located in the business district of the city of Rotterdam, a mere 20 minutes from Schiphol airport, in the heart of “Medical Delta”, a life sciences and medical technology cluster situated in the west of the Netherlands. The CLC offers a variety of facilities including state of the art incubators, entrepreneurship education, boot camps and launch labs, livings labs and test bed facilities, a Lab-hotel, the Leiden Bioscience Park and ample space for companies.
SPAIN
EIT Health Spain is located in the Barcelona Science Park of the University of Barcelona which is an international leader in the fostering of innovation. Barcelona was the winner of the European Capital of Innovation award 2014 and is home to 264 Biotech companies, 27 research centres working in life sciences, 4 university hospitals, 7 universities offering degrees in this area and 7 science and technology parks.
FRANCE
The French EIT Health CLC is located in the Paris hotspot. It is a globally and internationally-connected metropolitan region, with a long track record of innovation and business incubation and a vibrant financial and economic centre. The French CLC is situated at the UPMC Sorbonne University campus in the lively heart of Paris, providing all the facilities necessary to conduct EIT Health activities. The French CLC benefits from major competitive clusters with a highly developed and dynamic innovation eco- system in its two regions, Ile de France and Rhône-Alpes, gathering a strong community of innovative SMEs and joint teams from major academic and industrial stakeholders that play a prominent role in EIT Health.
UK-IRELAND
The CLC is located in London at Imperial College’s major new technology campus, co-locating world class researchers, businesses and higher education partners to create value from ideas for the benefit of society on a local, national and global scale. This White City Campus is in a regeneration area easily accessible from all major national and international travel hubs including new high-speed rail links.
SCANDINAVIA
The CLC encompasses two of the four “innovation leaders” in Europe. The Stockholm-Uppsala region is Sweden’s foremost innovation environment and is a centre of gravity for medical and health research, not only in the nearby region but also worldwide. The Scandinavian CLC was instituted in June 2015 as a non-profit organisation with its Headquarters in Solna, Stockholm. Stockholm-Uppsala and Copenhagen offer vibrant innovation environments.
InnoStars
The InnoStars was formally established as a German Association (“Verein”) headquartered in Munich, at the site of the KIC LE headquarters. The InnoStars coordination is located in Budapest. Each InnoStar represents a holistic local innovation ecosystem of industry, academia and health providers, with strong collaborations with EIT Health partners and connections to pan-European innovation networks (e.g. European Innovation Partnership on Active and Healthy Ageing Reference Site - Portugal).

Table 3: CLC / InnoStars Descriptions

Partner Categories: Ensuring Transparent Access to EIT Health

EIT Health has created different partner categories that are also defined in an Annex to its Articles of Association (AoAs) to reflect the variety of preferences and ability to participate in decision-making and to contribute financially and/or in-kind.

Access to EIT Health is non-discriminatory, based on criteria of excellence and added value to the partnership. Partner categories and their respective roles are:

- **Core Partners** are formal members of the KIC LE and have voting rights in its Partner Assembly (PA). Each has activities in at least two segments of the knowledge triangle, is active at EU-level and contributes substantially to the financial sustainability of the KIC LE.
- **Associate Partners** are connected to the CLCs and InnoStars and are members of the relevant partner assemblies as well as the PA of the KIC LE where they jointly exercise one vote through a delegate / CLC.
- **Project Partners** are legally bound to the KIC by a partner grant agreement on a project by project basis. This lowers the entry barrier for SMEs, important players in local innovation eco-systems, to participate in EIT Health.
- **Network Partners** represent the user community that will enable the implementation of EIT Health activities and innovations into the wider European community to the advantage of the individual citizen.

	2015	2016	2017	2018	2019	2020	2021	2022
Core Partners	51	53	50	53	64	64	64	64
Associate Partners	65	81	86	95	92	92	92	92
Project Partners	0	51	60	65	75	85	95	105

Table 4: Assumed increase in Core, Associate and Project Partners (Numbers are planned values at year-end)

The growth of the partnership follows the clear direction to fill gaps in the integration of the knowledge triangle and keep the balance of industry and non-industry partners. The Supervisory Board (SB) may increase or decrease the above-mentioned targets.

Governing and Advisory Bodies in EIT Health

The KIC LE comprises three decision-making bodies: the Partner Assembly (PA), the Supervisory Board (SB) and the Management Board (MB). Furthermore, the IP Board and the Standing Committee on Ethical, Legal and Social Implications (ELSI) are advisory bodies for knowledge transfer/IP and ethics-related issues respectively and are associated to the MB.

Governing Bodies within the KIC LE

The **PA** is composed of the Core Partners and the Associate Partners. The latter have limited voting rights set out in the AoAs (one vote exercised per CLC). The PA is the highest decision-making body and takes material decisions as defined in EIT Health's AoAs⁴.

The **SB** consists of two senior management representatives for each CLC, one representing industry members and one non-industry members, and is appointed by the PA. One representative of the InnoStars participates in the SB as an observer. The SB chair is elected by the SB members for a two-year period. The SB members for the first two years were formally appointed on 26 June 2015 and prolonged in June 2017 for an additional two years⁵. As of Q3 2017, an independent deputy chair will be put in place, to comply with EIT regulation. The SB also appoints the Chief Executive Officer (CEO), who participates in the SB as an observer. The SB meets quarterly and has, amongst others, the following tasks and responsibilities: appointment and dismissal of the EIT Health CEO and the MB (upon proposal by the CEO); approval of the FPA and grant agreements; proposal of material decisions for approval by the PA; approval of the annual business plan; definition and approval of project evaluation and selection criteria upon proposal by the MB; decision on the admission/exclusion of partners.

The SB has the overarching responsibility for the strategy of the KIC, the hiring of the key management, as well as efficient control and support of the execution of the business plan by the MB. The SB members represent the stakeholders in the organization, but should also take care for the needs of the customers – i.e. the European citizens. Furthermore, SB members are a resource in building the KIC, contributing with their experience, knowledge and networks, representing EIT Health in public

⁴ A number of material decisions have already been made during development of the proposal including the level of membership contributions, the mechanisms for approval or rejection of annual accounts and the By-Laws of the Association.

⁵ Please see EIT Health Website: <https://www.eithealth.eu/>

engagement and building credibility by the virtue of their reputation in the field.

The **MB** directs the day-to-day operations of EIT Health including the development of the annual Business Plan. It is chaired by the CEO and comprises the Chief Operating Officer (COO) and the Directors of Finance, Business Creation, Education as well as the Head of Communication and the CLC InnoStars Directors.

Advisory Bodies

EIT Health established an **IP board** that has an advisory role in knowledge transfer and IP- related issues. Details on the implementation are specified in the By-Laws of EIT Health. EIT Health has also established a standing committee on **ELSI**, with an advisory function and associated to the MB. The committee is composed of one representative from each CLC and the InnoStars and has a balanced representation of members (50/50 industry and non-industry) with ethical, legal and social insights. Details are set out in the EIT Health By-Laws.

2.1.3. EIT Health Leadership

Management at KIC LE level

The MB directs the day-to-day operations of EIT Health and is jointly responsible for the creation and execution of the approved business plan, whereas the members of the MB are accountable to the CEO. The CLC directors are members of the MB but report to their respective supervisory boards, with a dotted line to the CEO. The CEO steers EIT Health, chairs the MB, drives the evolvement of the strategic agenda and acts as the high-level representative of EIT Health towards the EC, the EIT, and other stakeholders. The Director of Finance is responsible for the financial management of EIT Health, including the compilation of business plans and the management of EIT Health's assets. The COO oversees the administration and project management of the KIC LE, drives the implementation of strategic projects and initiatives and is key to capturing "lessons learned" which could contribute to improving KIC operations. The three pillar Directors (Innovation, Business Creation and Education) are responsible for the implementation of EIT Health's three pillars (Innovation PROJECTS, CAMPUS and ACCELERATOR) while the inclusion of the CLC Directors ensures cross-KIC connectivity.

Management at CLC level

CLC Directors-play an important role in attracting further partners, projects and national funds and in striving for excellence in thematic and regional activities under their responsibility. They facilitate the cooperation of partners and initiation of projects. CLC Directors are appointed after nomination by the respective CLC partner assembly and subsequent approval at KIC LE level (by CEO).

2.2 EIT Health main processes and programmes

EIT Health Business Planning - Adopting a portfolio approach based on excellence

The annual EIT Health business plan is a key governance tool. It is drafted by the MB following clear criteria of the EIT and processes which have been designed to ensure that activities integrate the knowledge triangle, contribute to EIT Health's objectives and KPIs, fully comply with EIT funding rules and are in line with the EIT Health strategic plan.

Project and activity selection criteria have been developed and operationalized in order to assess the excellence of the proposed PROJECTS/ activities. The projects/ activities are selected in a transparent and competitive process that ensures confidentiality, excellence through external independent evaluation and the avoidance of conflicts of interest. Details are laid out in the Business Plans. The Directors of Innovation, Education and Business Creation as well as the CLC Directors work closely together to ensure tight integration of the three areas that implement the knowledge-triangle.

Leveraging partners' assets

EIT Health represents already a unique network of complementary partners proactively combining and applying their assets and strengths to generate truly innovative solutions addressing the challenges of healthy and active ageing. The shared ambitions of the partnership will be translated into core topics where EIT health can show "thought leadership". This will be done by constantly mapping strengths and key assets (through data analytics and "heatmaps" development), identifying and closing competence gaps, connecting with major innovation hubs in- and outside of the EU to share best practices, and by

scaling up proven concepts on European level. It is the main role of the CLCs to engage and support their partners in the development of high-impact projects and to develop their eco-systems, integrating partners' assets across the KIC. Return on Investment is an important measure to keep the partnership engaged and motivated and needs to be defined on a partner-by-partner level and clearly communicated in a value proposition. Partners expect to keep involved in shaping the strategy and programs of EIT Health.

Mapping assets

In CAMPUS, the EIT Health Catalogue (*part of the CAMPUS activity 18161, EIT Labelling and Certification*) was developed at the end of 2016 to contribute to the overall strategy. By making existing, relevant, high-quality education programmes available for the EIT Health community, the catalogue enables such programmes to a) be accessible and b) help partners to identify potential synergies and gaps in education and training offered by EIT Health partners to build upon, e.g. by modifying programmes, re-building programmes, or collaboratively building novel programmes.

Currently, the EIT Health Catalogue offerings are showcased within a single database, thereby listing 80 high-level educational offerings from all CLCs towards the different target groups of learners (students, executives and professionals, entrepreneurs and innovators, and citizens). Among others they include the renowned KTH "Biodesign Programme for Executives", which was already closely linked to the EIT Health Fellowship programmes, or the "Master Programme in Bioentrepreneurship", which was developed by Karolinska Institutet and over the last two years created strong links to the E-Lab network. Other Programmes include the "Digital and Innovation Skills for Health Professionals" Training by Atos or the Re-work Programme by the University of Lisbon, which brings together professionals with retirees to develop active ageing labour organisations. From 2018 onwards, the database will be integrated into EIT Health CONNECTIONS and displayed in an efficient, user-friendly, simple interactive way.

Within the Accelerator portfolio, EIT Health leverages the assets utilized by its partner institutions by linking partners to a wider European network and target group. In each CLC, EIT Health is connected to several high-class incubators that benefit from being linked to EIT Health. One example is the YES!Delft incubator that already receives high praise and recognition for its "Launchlab" Bootcamp program. This program's value was further increased through its association with EIT Health, as it allowed for the participation of more international teams. Even more impactful was the added-value EIT Health could offer: a European fieldtrip for the startup teams with live pitches in front of EIT Health's prestigious industry partners all over Europe. Another example of excellent leveraging is the maturation of Medical Valley's GoGlobal program, which builds business bridges to complementary economic players across the globe. EIT Health's network and funding made it possible to include additional startups from all over Europe into the established outbound program allowing more startups to connect to the ecosystems in the US, China and Brazil. The internationality made the program more meaningful for the connected global players, as well. Inbound global startups from US, China and Brazil are now able to soft-land and subsequently choose locations from all over Europe. A third example is CaixaImpulse, a programme previously intended for exclusively Spanish investigators, now developing into a European success story.

EIT Health Think Tank

Engaging citizen and healthcare providers and payers is an important part of EIT Health strategy and includes active involvement of patients and payers in EIT health portfolio of activities (through our Think Tank, and citizen focused activities), knowledge sharing across Europe of proven concepts, and connecting the patients and their data, building initiatives on knowledge and existing health data. The aim of the Think Tank is to facilitate the implementation of innovative solutions on a large scale across Europe, by engaging healthcare providers and users in a needs-driven dialogue, and by identifying and removing barriers to implementation. "Round tables" will be organized around Europe on defined key themes, engaging relevant stakeholders in identifying strategies to overcome existing barriers.

Two major objectives are important within the Think Tank:

- Focusing on identifying the reasons for the lack of implementation and ways to overcome them, creating a "market pull".
- The dialogue between healthcare providers and payers on the one hand, and innovators on the other is very valuable in itself to create alignment between the needs from the healthcare systems and the solutions from the innovators.

A core team of European experts advises on the development of themes and topics to be debated and input into the outcomes, such as white papers or discussions with policy makers.

Implementation of EIT Health Innovation PROJECTS

KIC Innovation PROJECTS integrate the knowledge triangle, i.e. they must all feature business creation and/or innovation as well as education activities to qualify as a KIC project. EIT Health uses a portfolio approach, building a balanced mix of Innovation PROJECTS with different risk levels, along areas of focus defined by partners' competence, assets and interests, and main challenges/opportunities for impact (Figure 5). The portfolio will balance risk, focus and time horizon, and is built around short-term, bottom-up instruments (innovation by Ideas), longer-term, top-down programs (Innovation by Design), and a "Wild Cards" instrument that allow for high risk and potentially transformational projects, integrating innovation with business creation activities.

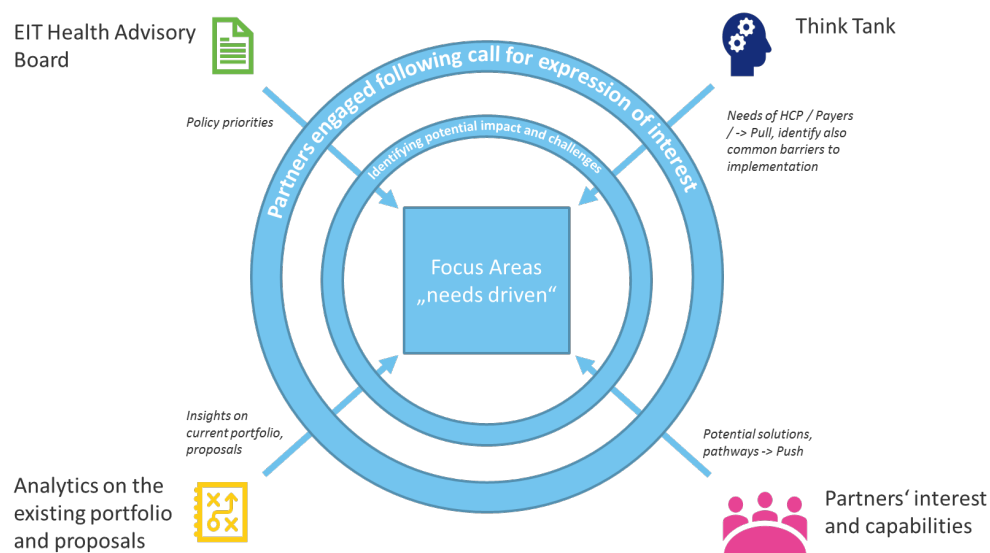


Figure 5: Towards focus areas

- “Innovation by Ideas projects” are driven by societal challenges within the thematic scope of EIT Health**
 They will address the societal challenges and business objectives and calls for projects will be announced **twice** a year. The CLCs will play a strong role in matchmaking on a local level and across CLCs and InnoStars to align partners and to identify and involve Project Partners for potential collaborations, especially SMEs.
- “Innovation by Design projects” are modelled on well-defined societal needs of European citizens and/or healthcare systems in Europe**
 EIT Health has designed this project type to enable core partners to quickly initiate and execute projects which aim at developing products and services hindered by specific innovation barriers, whilst addressing an emerging market-demand and urgent societal need(s). Projects are the result of a top-down process based on partners' interests but aiming at focusing resources and efforts to deliver specific impact within reasonable time (i.e. three years), and integrating all three pillars in a co-creation step.
- “Wild Card”: projects, high-risk and transformational ideas that are incubated and accelerated within EIT Health platforms,** allowing for ideas from partners and unexpected sources to impact EIT Health's innovation portfolio. A small percentage of the innovation budget (up to 10%) will be allocated each year to such challenges, and support individuals and teams co-located within our incubators to accelerate prototype development and business creation, thus integrating innovation and business creation activities.

Implementation of the EIT Health ACCELERATOR

The EIT Health ACCELERATOR is the responsibility of the Director of Business Creation, who has overall responsibility for its development and organisation and for proposing concrete activities and projects in the annual business plan. The Director is advised by a panel of independent experts from the financial community and thematic experts regarding the potential business in the evaluation and selection of such projects. An ACCELERATOR core team has been established, composed of the Director and 1-2 representatives from each CLC and InnoStars and bringing together a broader EIT Health ACCELERATOR community including TTO staff, business and market advisors, directors of facilities (living labs, business incubators etc.), private investors, VC companies and end-user representatives.

The ACCELERATOR is implementing the Head Start and Proof-of-Concept funding instrument of EIT Health. "Head start" projects are EIT Health's tool to rapidly enable pilots, market analyses, patent scans, etc. Projects are approved at CLC level and may involve partners from only the local CLC eco-system. However, it is foreseen that at least 50% of the annual budget for Head Start Projects will be for cross-CLC activities, including InnoStars. The EIT funding is capped at EUR 50,000 per project per annum. The projects are expected to have a high short-term impact and are set to dramatically shorten time-to-market for innovative products and services.

Implementation of the EIT Health CAMPUS

EIT Health CAMPUS is the responsibility of the Director of Education, who has the overall responsibility for its development and organisation and for implementing concrete activities and projects in the annual business plan. The Director chairs the Strategic Education Board, which is composed of the Director and 1-2 representatives from each CLC and InnoStars and brings together the leading academic and non-academic partners' representative, which together drives the education strategy forward by making sure the needs of the relevant users are met. CAMPUS has set up activity lines focusing on the target groups that are the drivers of change in the health sector: students, entrepreneurs and innovators, health professionals and executives, as well as citizen and patients.

For activities in the area of EIT Health CAMPUS, the Director of Education will ensure the consolidation of activities into the business plan followed by SB approval. All activities will be evaluated by an independent expert panel. Evaluation will be based on the criteria of innovation, excellence, sustainability, contribution to the EU agenda, contribution to entrepreneurship and the potential to contribute to the achievement of the KPIs in the field of education.

Project Monitoring and Potential Cessation of Funding

Each activity in the business plan includes budgets, milestones and KPIs as the basis for project monitoring. All activities are reviewed based on clear criteria at least twice a year on concrete milestones, through our PLAZA platform and in yearly review meetings. In the event that a project is not progressing or is not implemented in an appropriate way, the MB has the power to intervene and ultimately, if considered necessary, to stop EIT funding and labelling according to specific criteria that are set out in the project agreement. Hence, the MB will actively manage the portfolio based on EIT Health' goal orientation.

Diversity and Equal Opportunities

EIT Health is committed to equal opportunities. Inequalities between men and women still exist in the EU, for example, in business and professional life (including the gender pay gap, the gender imbalance in decision-making positions and higher barriers for female entrepreneurs) as well as numerous diversity challenges (including access to proper healthcare for different ethnic groups and the filling of positions in the healthcare job market). Therefore, management at KIC LE, and at CLC levels, as well as at the level of individual partners, is responsible for taking these gender-specific differences and diversity challenges into consideration, e.g. in EIT Health operations or project/activity design.

2.3 Multi-annual Business Plan Priorities and Financial Sustainability Plan

EIT Health has developed a business model that is designed to achieve sustainability in the long-term. Comprehensive financial planning has been conducted for the first years of operation with projections for the following phase. The partners have confirmed their financial commitment, which forms an extraordinarily strong base for EIT Health's development and permits EIT Health to use EIT contributions for activities rather than for management costs.

2.3.1 The EIT Health Financial Framework

The financial plan for EIT Health integrates the strategy and the operational plan into an overall financial view and shows the expected performance of the KIC. It comprises the consolidated annual budgets for EIT Health, presented as a cumulative sources and expenditures ("uses") of funds and clearly indicates the financial commitments in both cash and in-kind contributions from the partners (KCA) and other sources. The timeline of the financial plan covers the first three years of the KIC in detail (2016 to 2018) and on an aggregated level for 2019 to 2022.

Key Planning Assumptions: Sources and Uses of Funds

The detailed planning assumptions for the consolidated sources and uses of funds for EIT Health:

	2016	2017	2018	2019-2022
Total membership contribution of Core Partners	3.975	3.750	3.975	19.200
Total contribution of Associate Partners	2.025	2.150	2.375	9.200
Subtotal membership contributions	6.000	5.900	6.350	28.400
Total KCA	64.958	144.609	165.344	1.280.678
Total co-funding	5.756	6.360	3.549	57.798
Subtotal additional partners' contributions (KCA + co-funding)	70.714	150.969	168.893	1.338.475
External funds from national/regional sources	1.234	1.167	1.000	7.000
Revenue generated by EIT Health sustainability efforts	-	-	-	2.450
EIT grant	20.069	34.225	56.142	344.700
Total Sources	98.017	192.261	232.385	1.718.575

Table 5: EIT Health Sources of Funds (in kEUR)

- **Fixed and variable cash contributions of the partners to cover KIC LE and CLC OPEX:** Each KIC partner contributes to the KIC sources to cover the cost of service for the KIC LE in terms of an annual **Membership contribution**. For each Core Partner this amounts to EUR 75,000 to be used solely for KIC OPEX. Associate Partners contribute EUR 25,000 per year in cash for KIC operations.
- **Cash or in-kind contributions to EIT Health activities:** More than 70% of the total KIC budget will arise through cash and/or in-kind contributions from KIC partners.
- **Other funding sources:** Another source of direct funding for EIT Health may come from **national and regional levels** and in the long term possibly from charitable sources (not to be confused with funding from such sources made directly to partners). Preliminary agreements with some national authorities have been already made. As listed, the involved German federal states (Bavaria and Baden-Württemberg) have confirmed a contribution amounting to avg. €1,000,000 per annum to contribute to KIC LE OPEX.
- **EIT grant:** the maximum EIT grant is set at 25% of the total sources of funds. However, the EIT's share of the KIC budget will decrease in the long term.

EIT Health's use of funds has four major drivers: EIT Health Innovation PROJECTS, CAMPUS (Education), ACCELERATOR (Business Creation) and Communication.

	2016	2017	2018	2019-2022
Total budget for CAMPUS	14.990	30.867	39.298	375.758
Total budget for INNOVATION	69.080	128.646	153.053	917.945
Total budget for ACCELERATOR	5.429	22.849	24.592	337.222
Total budget for Communication & Dissemination	916	1000	2.280	9.200
Total budget for RIS and Cross-KIC activities	215	699	4.442	23.000
Total portfolio management activities and operational costs	7.387	8.200	8.720	55.450
Total Uses	98.017	192.261	232.385	1.718.575

Table 6: Budget per area (in kEUR)

2.3.2 Strategy for sustainability

While it is foreseen that over the first years the total EIT grant will amount to a maximum of 25% of the KIC's budget, EIT Health is expected to become financially more independent from EIT funds in the longer-term. Thus, it is planned that the relative proportion of the EIT contribution to EIT Health's total budget can gradually be reduced by identifying and mobilizing further sources. Indeed, the long-term sustainability of EIT Health is an integral part of its business model and first approaches and ideas have been developed to ensure its sustainability and to identify alternative and additional sources of financing for its activities next to the EIT support. A preliminary sustainability plan has been developed in 2017 and will be further refined in the following three years, based on a gap analysis identifying the funding gap to be covered by additional funding sources after the 2022 period. As EIT's sustainability concept evolves and the KIC matures, additional sources of funding to be established and pursued will be identified against the background of the specific public-private context in which EIT Health operates.

To date, EIT Health has identified the following main areas from which sustainable funding for KIC activities will be obtained:

- Fees for services / market revenue: Monetizing EIT Health support and KIC-level services
- Membership fees: Contributions from EIT Health partners and sustainable growth of the partnership
- Alternative / Third funding sources: Attracting further publicly available funds at the EU, national and regional level
- Income generated by RoI and/or equity

Fees for Services / Market revenue

As EIT Health is developing its portfolio, we are identifying opportunities to develop service offerings connected to the nature of EIT Health which can be charged to the partnership as well as the wider market. Typically, these services are strongly connected to the KIC's core business and expertise such as innovation management, funding management, training offerings and networking aspects. It is expected that the first revenues generated by such activities will evolve in the last phase of the KIC (2024 onwards). This revenue will not be used to decrease the EIT grant but to ensure growth and sustainability of EIT Health activities

Increase and Continuation of Cash Contributions from EIT Health Partners

As described above, EIT Health's partners make contributions to the consortium through cash contributions to mainly fund the KIC's operational expenditures on KIC LE and CLC level. Thanks to this source of funds, EIT Health is able to maintain its management function in HQ as well as at the CLCs independently from EIT funding. Over time, the economic benefits of being part of the EIT Health consortium, including Return on Investment (RoI) become clear to the partners. EIT Health will seek to leverage the benefits seen by the partners by increasing interactions and thereby increasing the partners' cash contributions to the consortium. In this context, further models of partners' cash contributions and/or membership levels with different (and higher or lower) fees will be developed to take into account the individual partners' needs and interests (e.g. fees for organizations not seeking EIT contribution but still willing to be part of the EIT Health's community / network).

Financing through further Publicly Available Funds on EU, National and Regional Level

The collaborations generated through EIT Health will provide a natural platform for applications to further national and international funding programmes. These sources can be used to financially co-support EIT Health projects (where increased in-kind contributions from partners can be used as co-financing), to develop and support infrastructure initiatives which can be used in EIT Health, to help support start-up and spin-off companies and to provide innovation support activities:

Beyond this, external funds are also an option for EIT Health to further reduce its dependency on EIT funding. The first cornerstone has been set with attracting more than €1 million / year of public funds (from the state of Bavaria and Baden-Württemberg, Germany), of course the activity to attract further funds will be further intensified in the coming years. In this context especially, the CLCs / InnoStars will be encouraged to attract further external funds. The amount of external funds attracted will be an internal performance KPI of each CLC-Manager. The overall target is to double the current amount of external funds until 2020. Whereas it is difficult to identify funds for the "classic CLC's running costs" additional activities of the CLCs / InnoStars with a local / regional approach need to be defined to attract such funds. Combined activities of all KICs to avoid overlap and to maximize influence will be needed. In this context the activities of the different CLCs to attract local and national funds will be strengthened (e.g. by defining clear goals per CLC, by fostering cooperation with the EC and local donors etc.).

Income generated through RoI and equity

Currently EIT Health is not planning to take any direct stakes in start-ups generated by EIT Health activities. However, a dialogue with relevant corporate venture funds (linked to the EIT Health partnership) and EIF/EIB has been started, to investigate available options to support start-ups, SMEs and projects ("co-investment strategy"). EIT Health's deal-flow of potential investment targets has been assessed as attractive for internal and external VCs. It is anticipated that these deal-flow activities can be monetized in the context of the co-investment strategy of the EIF/EIB and EIT Health partners: KIC partners' VCs will have prioritized access to EIT Health start-ups in cooperation with the EIF/EIB. EIT Health as such will be able to charge for commissioning the investment.

Possible Scenario with regards to EIT Health Sustainability in 2026 (in kEUR)

	2016	2020	2026
Membership Fees	6.000	7.100	8.180
Market Revenue / Success Fees / Fees for Services	-	500	2.000
Publicly Available Funds on EU, National and Regional level	1.234	2.000	4.000
RoI and Equity	-	500	1.500
TOTAL	7.234	10.100	15.680
EIT funding	21.000	80.000	50.000

Table 7: Possible Sustainability Scenario

2.3.3 EIT Health Innovation and Intellectual Property (IP) Management

The Innovation and IP management has the high level goal to enable EIT Health to accelerate the growth of health related businesses, increase global competitiveness of the health and healthcare industry and to create new companies which will bring new products and services to the market. The principles around IP sharing are defined in the FPA⁶; as a principle, if new IP is generated, partners will own their own foreground and shall agree within the project how to share the IP generated. The IP board in place can provide advice and help in mediation if issues arise within a project. An IP policy has been developed by the IP board in 2017 (see Annex).

⁶ Following the principles of Horizon 2020, if foreground is generated jointly, ownership will be shared.

3 Impact and Results

3.3 Impact

The overall impact of EIT health activities should be seen in qualitative terms in the long term as increased access for EU citizens to improved high quality care at an affordable cost, either due to new technologies/solutions increasing access (i.e. more patients treated per given cost), reducing costs or shifting focus to prevention and thus reducing disease burden (i.e. healthier population). EIT Health has already delivered impact in its first years of operation, including start-up creation and the launch of new products/solutions. In the period 2018-2020, this should be accelerated as EIT Health consolidates its assets and accelerates its development, thanks to solid processes and increased funding.

Activities are expected to have a significant medium and long-term pan-European impact on economic growth, the development of human capital, the creation of high quality jobs and the sustainability of healthcare systems in Europe that is in part mediated by citizens enjoying a longer, healthier and more active life. Therefore, EIT Health's impact and outcomes strongly pursue the 'triple win' concept put forward by the European Commission. EIT Health will measure its activities and impacts by means of a KIC scoreboard consisting of internal, external and outcome-related KPIs, i.e. the EIT Health Monitor.

3.3.3 Economic Growth

EIT Health will increase the competitiveness of industry and SMEs, drive the commercialisation of products and services, support the creation and growth of new businesses and strengthen the innovation capacity of regions in Europe. One of EIT Health's main strategies focuses on identifying and removing barriers to implementation of new innovative solutions, thus increasing growth potential of innovative solutions.

Growth through Increased Global Commercialisation and Competitiveness

EIT Health will contribute to economic growth and the creation of jobs by increasing the competitiveness of industry and SMEs, driving the commercialisation of products and services, creating and growing new businesses and strengthening the innovation capacity of regions in Europe, whilst potentially delivering services on a global scale. The multidisciplinary nature of the parties involved in EIT Health opens the path to reduced time-to-market for added-value products and services, leveraging the contribution of end-users (patients, patient organisations, workers and other relevant parties). Start-ups and SMEs can find within the EIT Health Network future partners and customers for their solutions.

Growth through the Creation of New Business and Increased Access to Finance and Strategic Partnerships

EIT Health will actively engage in, and support, 'matchmaking' activities between industry partners, start-up companies, SMEs and end-users to accelerate the creation of new businesses and the commercialisation of new products and services. The EIT consortium includes major technology players, clusters of excellence and VCs, thereby providing easier access to proof-of-concept funding, support for business plan completion and pan-European launch planning. A dialogue with EIF/EIB will investigate opportunities for joint collaborations to support the development and scale-up of start-ups.

Growth through an Increased Innovation Capacity of the Regions

EIT Health will actively drive local innovation capabilities across the region, through the development of CLCs and their local innovation ecosystems. By leveraging the broader CLC network, it will be possible to adapt leading solutions to meet healthcare needs in other countries/regions. Finally, through the InnoStars, there is a pathway for less developed, innovative regions to build on the involvement of industry, academia and health providers across the six NUTS 2 level regions. It is expected that participation in EIT Health activities will help boost regional economic growth in the RIS countries, widen participation, SME development and employment. Collaborations with innovative regions and larger healthcare providers will focus on large-scale implementation of new services and products, to demonstrate impact. To this end, EIT Health will set up structural partnerships with those actors. The "major impact stories" will be shared through EIT Health Think Tank, and influence other regions to adopt and deploy the new solutions.

3.3.4 Human Capital and Job Creation

EIT Health strives to create to develop new companies and accelerate the growth of existing ones, though accelerated implementation of new solutions, supported by its Business Creation portfolio of activities. Furthermore, CAMPUS activities focus on developing skills for future healthcare workers, increasing their employability, and providing necessary workforce to this growing industry.

Positive Employment Effects

EIT Health is expected to lead to increased employment in the health, well-being and healthcare technology sector, either directly through acceleration and scaling up of start-ups and SMEs, or indirectly through the approval and deployment of new technologies and/or business models. A significant impact in terms of job creation is expected in SMEs.

A More Entrepreneurial and Better Skilled Future Workforce

EIT Health will lead to employees with enhanced entrepreneurial skills who are able to integrate new technology and innovation. This will provide a more flexible, skilled and responsive workforce to implement new models for provision of care. The EIT Health education programme will offer skills in the fields of health, ageing and innovation, enabling health professionals at all levels to lead the implementation of new solutions.

Higher Participation and Attractiveness of Jobs

Labour shortages in the health-related sector will be reduced as experienced workers remain in their jobs for longer, and new ones are trained with new skills, thanks to EIT Health-supported activities. In parallel, increased innovation in healthcare will help attract and retain leading talent in the delivery of healthcare, and also in the technology industry supplying the healthcare sector. Across sectors, the intention is to keep the workforce healthy and active for longer, enabling individuals to have a greater contribution to economic growth.

3.4 Strategic outcomes

EIT Health contributes to achieving health outcomes; relevant outcomes have been identified and will be captured in the EIT Health Monitor. The EIT-defined KPIs do not fully capture this impact, which is why EIT Health will perform additional qualitative analysis on the outcomes of its activities. Outcomes have been grouped into three categories: better health, competitiveness and growth, and sustainability of healthcare systems. For each category, sets of outcome measures and KPIs have been identified, including measurement tools, allowing for monitoring of the outcomes generated from EIT Health activities (see EIT Health Monitor below).

Quality of life

EIT Health will deliver practical results to its stakeholders as well as healthcare professionals, policy makers and citizens. By driving the commercialisation of products and services—EIT Health will improve their healthy, independent, non-assisted lifespan. There is a wealth of evidence and best practices showing that lifestyle changes can have a significant impact on the quality and length of life. This is also achieved through a focus on prevention strategies, and the creation of a business model for investments in prevention solutions, which is at the core of EIT Health activities.

Sustainability of Healthcare Systems

The costs and efficiency of European healthcare systems are influenced by a series of factors. But the effective development and implementation of innovative healthcare solutions are often hampered either by regulation or by the complexity of the various healthcare systems. A strong network organisation with a critical mass, variety, capability (e.g. test-beds) and experience (e.g. co-creation) can overcome these barriers. The EIT Health network combines those four attributes to offer a unique and effective response to the challenges of European healthcare systems. This is why sustainability of healthcare systems is one of the key challenges addressed by EIT Health activities. The strength and complementarity of the EIT Health network allow for relevant and sustainable solutions and practices to be validated by public organisations within EIT Health and shared across Europe.

3.5 Results of EIT Health over time

The objectives of EIT Health will be tracked over the short, medium and long-term: In the **short term (12-24 months)**, focus has been on the internal and external 'operational' KPIs that assess progress of EIT Health against specific operational targets. Measuring these activities has provided EIT and the KIC SB with the confidence that progress will be made towards the longer-term strategic outcomes. In the **medium term (2018-2020)**, we should see initial progress towards the broader strategic objectives and the development of the capability to scale-up results. This will be assessed by a combination of operational and project-related measures. In the **long term (from 2020 onwards)**, the focus will shift from operational KPIs to value/outcomes measures that will assess the true impact and value of EIT Health's innovations for the population. Integration with other programs across the EU, WHO and other international bodies to collect these data will be done as necessary. These performance measures are captured in EIT Health's Monitor.

3.3.1. Measuring performance: EIT Health Monitor

The EIT Health Monitor is a measurement framework that provides insight into the performance of EIT Health. It is practically feasible and pragmatic, is suitable for different stakeholders, and offers the opportunity to develop a more sophisticated measurement over time. The EIT Health Monitor was developed and piloted in 2017, and will be integrated into the BP 2018. It will integrate three levels of performance measurement and will become a strategic instrument to steer portfolio *management*.

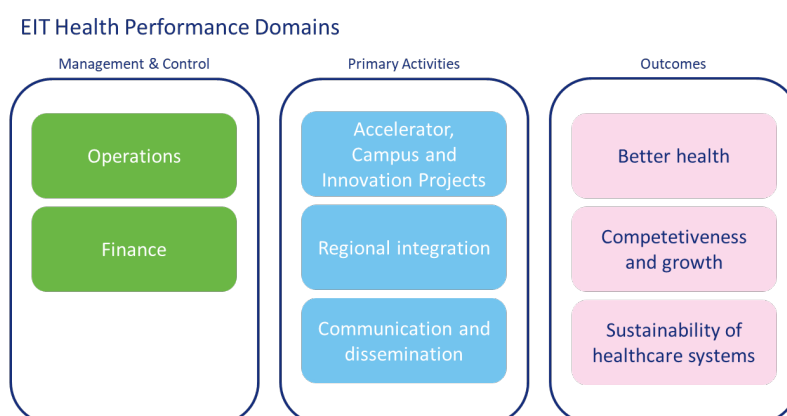


Figure 6: EIT Health Monitor

KPIs and outcome measures: In autumn of 2016, a project was run to develop a set of KPIs that are relevant, manageable and can be used to ensure we deliver on our targets. These are integrated in the EIT Health Monitor. In 2017, this approach is deployed through the portfolio, to start moving towards outcome measurement. Health outcomes are not easy to measure: in particular linking a distinctive set of activities (such as the EIT Health portfolio) to outcomes can be difficult, given the wealth of health initiatives in Europe. Furthermore, health outcomes are often generated over a long period of time, which is why it can be challenging to link short-term, focused initiatives with long-term, population-based health outcomes. We will use external experts as well as the expertise within our strong partnership to further develop the set of outcome metrics that can be measured within the time horizon of the EIT Health business plans and that are good indicators of health outcomes (e.g. "surrogate outcome indicators"). Outcomes in terms of increased competitiveness of the healthcare industry, economic growth and job creation, as well as the creation of a European Health Innovation Platform, are more easily measured and are important contributions from EIT Health.

Following the above approach, some KPIs can be aggregated at portfolio level (e.g. in-company investment triggered) and measured over time, while other outcome measurements are project-specific with a baseline, measurement framework and targets (e.g. the time to diagnosis in for a particular chronic disease). EIT Health also measures the EIT Core KPIs, which are included in the tables below.

The three performance domains of EIT Health:

- **Operations & Finance:** KPIs to measure the operational performance of the KIC and the quality of its financial management. KPIs are defined to assess for example the portfolio selection process, budgeting, partner engagement and compliance (see section 3.4.1).
- **Primary Activities:** KPIs to track the output of the specific KAVA activities. This includes, for example, programme attractiveness, knowledge transfer, exchanges as well as citizen engagement (see section 3.4.2).
- **Outcome:** In order to evaluate the potential value of EIT Health's investments, each project in the EIT Health Portfolio will be required to specify how their proposals are intended to impact patients and other stakeholders, according to the strategic outcomes for EIT Health. These will be known as '**outcomes measures**'. Wherever possible, projects will be required to report against outcome measures that are tracked and reported by recognized National or International bodies, such as OECD, WHO and others. We specified already a large number of potential outcome measures that projects can choose, from 2018 going forward (as an example, see section 3.4.3).

KPI targets are defined for three-years (2018 – 2020). They will be revised on the continuous basis and targets for 2022 will be quantified in 2019.

3.4 Key Performance Indicators

3.4.1 Domain: Operations & Finance

KPIs are aimed at managing the financial and operational aspects of the KIC, and supporting the vision of the KIC framework with clear rules of decision-making, accountability and transparency. The **Financial KPIs** selected have two main goals: (1) sound EIT Health financial management and (2) the longer-term EIT Health sustainability. The **Management KPIs** selected deal with accountability. The proposed partnership as well as its management structures outlined in Section 2 requires clear KPIs.

Operations:

Key performance factor	Key performance characteristic	KPI	2018	2019	2020
	Excellence	Number of proposals for innovation projects above 75 points (out of 100) in evaluation process	25	35	40
Selection process	Quality	Number of official complaints received in selection process from EIT Health Partners addressed to the management	< 2	< 2	< 2
Partnership	Engagement	Number of partners involved in KAVA activities (% of total partnership)	80%	95%	90%
	Engagement	Number of SMEs actively involved in KAVA activities	350	400	600
Cross-CLC / Innostars	Project management / performance	Percentage of activities that missed specified milestones during in interim reporting	10%	8%	8%

Table 8: KPI Operations

Finance:

Key performance factor	Key performance characteristic	KPI	2018	2019	2020
Compliance	Error rate	Error rate as % of declared costs not accepted as eligible (EIT)	6%	5%	5%
Capital budgeting	Interim reporting point	Cost variance: actual vs budget on different cost categories	80%	90%	90%
	Income/cost ratio	(KCA + co-funding) / total costs > 75%	75%	77%	78%

Table 9: KPI Finance

3.4.2 Domain: Primary Activities

The KPIs in this domain measure the direct output of KIC added value activities in the given year education, business creation, innovation as well as the communication and regional integration.

Key performance factor	Key performance characteristic	KPI	2018	2019	2020
Provide skills, knowledge & awareness	Attractiveness	Applicants per available spots in EIT Health activities (Ratio: applicants/available spots).	2/1	3/1	5/1
	-	Number of new courses/programmes that have been continued by the market without EIT funding after X years	10	13	16
	-	Number of universities extending their courses, Master of or Ph.D. Programmes to receive the EIT-label during year n	8	15	20
	Knowledge transfer	Number of exchange of participants of EIT Health activities between sectors and regions	360	400	600
		# of EIT Health recognised Living Labs and Test Beds utilized in EIT Health activities	5	10	15
	Outreach to wider public	Number of participants in EIT Health novel education/ outreach formats (MOOC sessions, festivals) during year n	55.000	70.000	80.000
		# of citizens directly engaged in EIT Health activities	10.000	15.000	30.000
Supporting health entrepreneurs in InnoStars regions	-	Capital attracted to SMEs in the InnoStars region in m EUR	1.5	2.5	4
Links between policy makers and our innovators as early adopters/leap froggers	-	# of pilot projects in InnoStars regions	5	7	12
Creating a sense of community	Partner satisfaction	Partner satisfaction rate (% of Partners stating that EIT Health meets/exceeds expectations)	80%	83%	90%
	Visibility to key stakeholders	# of non-EIT Health events/fairs/conferences where EIT Health partners are present presenting EIT Health involvement/results	80	100	120

Table 10: KPI Primary Activities

Additional EIT Core KPIs defined by EIT:

KPI	2018	2019	2020
# Start-ups created by students enrolled and graduates from EIT labelled MSc and PhD programmes	4	8	12
Graduates of EIT labelled programmes	65	100	150
# Products (goods or services) or processes launched on the market	45	65	75
# Start-ups created as a result of innovation projects	10	12	15
# Start-ups supported by KICs	150	200	300
Investment attracted by start-ups supported by KICs in m EUR	10	20	30
# Success stories submitted to and accepted by EIT	25	35	60
# External participants in EIT RIS programmes (defined as # of organisations from EIT RIS defined regions selected via open calls that are collaborating with the KIC	6	8	10

Table 11: Core KPIs

3.4.3. Domain: Outcome

EIT Health will measure outcome in the domains “Better Health”, “Economic Competitiveness & Growth” and “Sustainability of Healthcare Systems”.

Some KPIs in this domain already have been identified and can be measured at portfolio level. They fall mostly into the domain of Economic Competitiveness & Growth:

KPI	2018	2019	2020
Number of jobs (full time equivalents) created in KIC-supported SMEs as a direct result of your project	35	65	85
Number of jobs (full time equivalents) created in new business organizations as a direct result of your project	60	80	150

Table 12: KPI Outcome

In the domains “Better Health” and “Sustainability of healthcare systems” we have developed a “menu” KPIs that will be further shaped in the years to come. Based on defined data models, projects measure outcome at project level, where relevant baselines and targets are defined.

Relevant performance factors in the domain “Better Health” include: **self-reliance, citizen empowerment, employability, health of the population as well as access to care.**

Characteristics “Sustainability of healthcare systems” include: resource efficiency, management of health services, value vs cost of treatments, data of monitor efficiency and new technologies.

3.5 Communication, Outreach, Dissemination and the RIS

EIT Health has defined an innovative set of dissemination and outreach activities and tools to engage meaningfully with stakeholders and citizens within and beyond the KIC’s borders. The EIT Health communication strategy and outreach activities underpin EIT Health’s objectives, aim to contribute to the overall goal of establishing a recognized and trusted EIT Health identity, foster cooperation, widen participation and unlock Europe’s innovation and growth potential. With the twin goals of leveraging diversity and engaging less developed regions, EIT Health has added the “InnoStars” to its network.

3.5.1 Communication and Dissemination Strategy

EIT Health will plan and implement an external Communication and Dissemination Strategy for 2018-2022. The strategy will be designed to support the focus areas – once these are defined by the process described earlier. The Communication Strategy will support achievement of the 2020 stated goals, which in turn support the objective of achieving sustainability by 2022. Relevant communication material will be developed, addressing key messages for identified target audiences.

Overview of the external strategy – aims

In the ramp-up years (2016 and 2017), EIT Health has invested in the internal communication infrastructure. From 2017 (Q4) to 2022, the effort will shift towards external communication, building on the continuing commitment to internal communication activities.

The success of external communication is driven by the receptiveness of the audience to the messages we communicate. As the portfolio is developed and projects conclude, a powerful evidence base will be developed which will inform and substantiate communication from 2020 onwards. For that evidence to be understood in context of the healthcare needs the portfolio is addressing, the initial focus must be on ensuring that those needs are understood and that there is interest and enthusiasm to embrace innovation.

Therefore, the EIT Health communication strategy will build on understanding needs (drawing compelling evidence from the partners) and evolve to report on the evidence base and the successful outcomes achieved and predicted when applied across EU Healthcare.

Aim / Year	2017	2018	2019	2020	2021	2022
What the communication activities will achieve in terms of audience understanding and engagement, over time from 2017 to 2022	Awareness of the mission and the needs that drive selected focus areas	Understand the portfolio , the substance and asset value of Network ++ and the thought leadership credibility of EIT Health	Change behaviour and policy making in EU healthcare systems – recognise need for increased pace of change and adaption	Promote adoption of EIT Health innovation , exploit the evidence base, generated from EIT Health portfolio	Report on improved health outcomes, economic benefit and encourage scale up of demonstrable innovation	Describe the new vision for EU Healthcare (post adoption of innovation), describe EIT Health role in achieving the vision, 2023 and beyond

Table 13: Main communication aims

Overview of the external strategy – audiences

External communication will focus on the critically important audiences – those that influence and can facilitate adoption of innovation emerging from the EIT Health portfolio. The communication activity and projects that will be designed and implemented with the communication programmes will be tailored to each audience. All proposed audiences have equal importance.

AUDIENCE	COMMUNICATION PROGRAMMES
HCP thought leaders: respond to evidence.	The activity will be centered on academic communication, peer review journals and other outputs for data, such as medical congresses. The result will be “top down” advocacy for EIT Health driven innovation in all medical institutions (hospitals, community care, medical societies, medical universities).
Regional and National Healthcare Policy Makers: are accountable politically and must deliver measurable solutions.	The activity will be direct engagement (because individual relationships are critical) within which predicted outcomes (evidence based) can be shared and create media content at a thought leader level. The result will be enthusiasm to adopt, evidence based innovation and to formulate policy accordingly.
Region/City leaders: are accountable politically and must plan for a future solution.	The activity will be direct engagement and indirect engagement via appropriate key opinion leaders who influence this audience. The result will be initiatives undertaken in early adopter regions and cities, that in turn become recognized as framework optimal solutions for all regions/cities.
Payers: implement policy and work within financial constraint.	The activity will engage payers as collaborators in advisory boards, from which policy influencing “white papers” will be produced, that in turn inform media content. The result will be payer understanding and support, for solutions that are shown to address their primary objective of containing cost
Patients: are focused on their disease experience and will be hopeful for positive outcomes.	The activity will communicate positive outcomes via existing channels of communication, managed by patient groups. The result will be a groundswell of engagement with EIT Health among patients.
Citizens: are consumers of healthcare directly or as carers, partners and relatives; they also fund and have strong views on healthcare as a societal priority.	The activity will demonstrate the future for healthcare (as influenced/driven by EIT Health) by speaking to citizens as individuals – sharing identified experience as case studies. The result will be engagement and empowerment of citizens in the context of their daily lives.
Industry: is the commercial route for adoption and dissemination of innovation, they need a compelling vision before they will commit to commercial risk.	The activity will engage at the most senior level, and it will generate thought leader content in relevant business influencing media. The result will be commercial investment in proven innovation solutions.

Overview of the external strategy: reach customers, create awareness, strengthen brand name

Seven individual plans have been developed for each audience. The plans cover Q4 2017 to end 2022, and there is also a detailed month-by-month 2018 tactical plan for both external and aligned internal communication and dissemination activity.

The plan delivers a communication and dissemination program that is designed to address the needs, behaviour, optimal communication channel and profile of each audience.

The management team is putting in place staff resources and skills in Munich and within each CLC to facilitate program delivery. The CLCs are playing a pivotal role in executing the program. Munich will be responsible for monitoring and managing execution of each plan. An editorial framework will also be implemented.

The SB and Partners will have specific roles, as leading experts and advocates involved within the framework of each plan. CLCs will lead the majority of SB and Partner coordination. Some activities are led by Munich, and in these cases they involve direct engagement of SB in support of communication and dissemination activity.

The 2017/18 priorities include the development of core materials that will be available to all EIT Health communication and dissemination stakeholders – to ensure the same messages are conveyed to stakeholders, important audiences and the EIT Health community.



Table 14: Communication audiences

Internal Communication 2017 - 2022

The external communication activities will generate content and material that can be re-purposed for internal communication through channels developed in 2016/17, plus it will utilise the future refinement of channels and initiatives in response to the June 2017 Partner's Conference recommendations.

Internal communication will be integral to activities described earlier that seek to capitalise and facilitate the collaboration between Partners, demonstrating the unique and powerful nature of Network++. Internal communication will also facilitate sharing of best practice between Partners.

Alignment to Public Affairs strategy/activities

The Public Affairs working group is composed of individuals with a link to EIT Health (i.e. partners), and represents several areas of expertise, such as research and health policy, and PA methodology. The PA strategy focuses on building knowledge and awareness of EIT Health among policy makers, positioning EIT Health in the "Brussels puzzle", protecting and extending potential funding opportunities and creating mutually beneficial partnerships with key institutional players. The Communication and Dissemination strategy will interact and align as appropriate with the Public Affairs strategy.

3.5.2. Outreach activities and the RIS: Widening Participation

The fundamental approach of EIT Health is to seek out, promote, and support innovative ideas and entrepreneurial talents wherever they may be found. While the CLCs represent hubs and focal points of innovation, current partners by no means have a monopoly on talent or ideas, and our key messages (see previous section) are applicable to all of Europe. We engage broadly with other organisations and individuals across Europe by actively welcoming and promoting their involvement with our activities. Operationally, this means that EIT Health events and courses are advertised broadly and open to all. Rather than organising separate streams of activities specifically for non-partners or countries in which there is not a CLC, we will approach outreach with a stronger message of inclusiveness and engagement: that our excellent and exciting activities are open to all.

Consistent with this policy of openness and integration, EIT Health will contribute to the Regional Innovation Scheme (RIS) through the unique InnoStars structure, which goes beyond what is currently encompassed by the RIS. Eight regions located in less developed areas of Europe but with high innovation potential have been fully integrated into EIT Health. These regions have been selected in line with the EIT RIS guidelines: an open, transparent, competitive process during the proposal-building phase, based on excellent partnerships, and the thematic alignment with Regional Innovation Strategies for Smart Specialization (RIS3). InnoStars partners are Associate Partners, and are integrated into the governance model, activities in all pillars (CAMPUS, PROJECTS, and ACCELERATOR), receive central communication support and contribute to EIT core KPIs and KIC-specific KPIs. Moreover, InnoStars are fully responsible for the implementation of EIT Health's Regional Innovation Scheme and the geographical extension of this initiative. The geographic scope of the InnoStars includes convergence and H2020 Widespread eligible regions in countries specifically mentioned in the EIT RIS Implementation Guidance Note as moderate or modest innovators. The design of the InnoStars concept encourages regions to build their local knowledge triangles and by adding value to regional activities and sources of funding, builds the innovation capacity in regions in Europe. This concept also allows InnoStars regions to transfer their knowledge to RIS regions outside the network of EIT Health and support them in local innovation hub building.

This approach, of fully integrating the InnoStars regions into the EIT Health partnership, allows regions the resources and support to promote regional involvement in all activities, such as encouraging students to participate in CAMPUS courses, SMEs to participate in ACCELERATOR business plan competitions (held in the regions), and innovators of all types to participate in PROJECTS. The financial resources of the RIS enable stakeholders of additional European regions (RIS regions) to participate in EIT Health pillar programs. All partner support tools, e.g. for matchmaking, network building or KT assessment are fully available to InnoStars regions and through them for RIS regions as well. Strategically, our overall aim is to fulfil the innovation potential of talents and SMEs from peripheral regions with the support of InnoStars partners, to generate new network and knowledge as well as to strengthen local Knowledge Triangles and build supporting environments for innovative solutions. All EIT Health activities are designed to boost regional economic growth, SME development and employment in sectors aligned with RIS3. InnoStars and RIS partners' expertise in regional development opens new opportunities for EIT Health technologies, and engagement is of mutual benefit for the entire EIT Health community. The knowledge and experience of the InnoStars and RIS regions as well as the diversity of the targeted populations, associated lifestyles, regulatory frameworks, and healthcare systems will help overcome barriers to rolling out innovations across Europe.

EIT Health's goal is to translate this clearly defined strategic objective into targeted activities resulting in concrete outcomes. To build synergies, new actions under the Horizon 2020 sub-programme "Spreading Excellence and Widening Participation" (e.g. Teaming and Twinning) by the initiative of the partners will help reach ambitions of creating new Centres of Excellence and expertise and encourage pan-European networking, and new ERDF/ESF projects are being initiated which have been designed in alignment with the EIT Health mission. As a result, EIT Health becomes not only a learning organization but also a catalyst of synergies between European and Structural and Investment funds, Horizon 2020 and other research, innovation and competitiveness-related Union programs. It will therefore strongly contribute to bridging the Research & Innovation divide in Europe.

List of Abbreviations

CLC	Co-Location Centre
EIT	European Institute of Innovation & Technology
ELSI	Standing Committee on Ethical, Legal and Social Implications
FPA	Framework Partnership Agreement
IP	Intellectual Property
KAVA	KIC Added Value Activities
KCA	KIC Complementary Activities
KIC	Knowledge and Innovation Communities
KIC LE	KIC Legal Entity
KPI	Key Performance Indicators
MB	Management Board
MOOC	Massive Open Online Course
OPEX	Operational Expenditure
RIS	Regional Innovation Scheme
SB	Supervisory Board

