

MedInfo 2023

# Australia's Value Proposition for Foreign Direct Investment in Digital Health: For Investors, Founders, and Incubators



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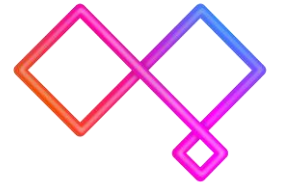
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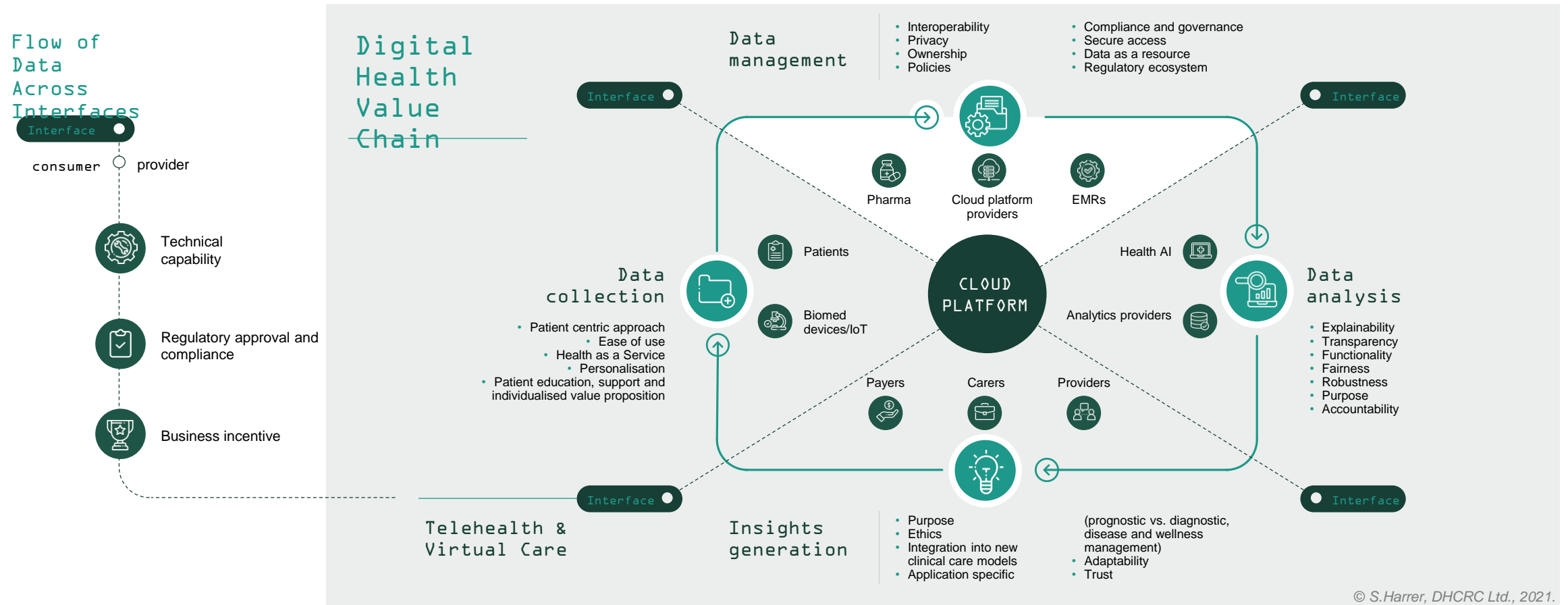
Sydney, 10 July 2023

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Across the ecosystem opportunities



# The Digital Health Value Chain



S.Harrer, "Commercialising Digital Health: Trading on a Dynamic data Marketplace", Forbes, 2021.

Australia offers global companies a strategic growth opportunity

*For global tech companies, and particularly cloud and AI technology providers, Australia is an attractive market to demonstrate the transformational impact of their services on the digital health value chain and expand regionally.*

*For medtech and pharma companies, Australia is an ideal market to sandbox early-stage digital health solutions in preparation for launching innovative solutions into global markets.*



# Digital health market: Australia in a global context

The global digital health market was valued at US\$111.4 billion in 2019 and is expected to reach **US\$510.4 billion** by 2025 with a **CAGR of 29.0%**.



Australia's digital health market is approximately 1% of the global market (US\$1.85 billion)



**AI in healthcare market**  
\$6.6B 2021  
+40% CAGR

**IoT in healthcare market**  
\$188B 2021  
+40% CAGR

**Wearable healthcare market**  
\$21B 2025  
+13% CAGR

**Telehealth and telemedicine market**  
\$191B 2025  
+38% CAGR

**mHealth app market**  
\$105B 2025  
+25% CAGR

**Big Data healthcare market**  
\$39B 2025  
+23% CAGR

Australia offers ..

Ideal testbed  
Demonstrate impact  
Opportunity to scale

Prove your tech here then take it global

Australia is part of the growing...



Indo-Pacific market, with a high growth rate over the next 5 years



# Investing in digital health innovation: why Australia?

Digital health

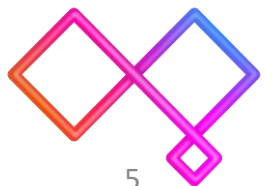
**Ideal location to pilot and prove new ideas**

*Australia's high-tech, low-digital ecosystem presents a unique opportunity to demonstrate the transformational impact of tech services on the entire digital health value chain.*

*Digital Health CRC*



- Highly efficient clinical trial design and execution ecosystem
- Robust and resilient healthcare system
- World-renowned clinical specialists keen to adopt new processes and technologies
- Development opportunities aligned with highest burden of disease – oncology, cardiovascular, neurology, mental health
- Single payer system allows easier and more seamless adoption of new processes and technologies
- Time-zone enables 24/7 development cycle across global operations
- Health policy framework supports digital health
- Underpinned by economic and political stability



# Investing in digital health innovation: why Australia?



- Strong similarities in healthcare consumer ecosystems and market dynamics ensure technologies developed and piloted in Australia are readily scalable to markets (US & UK)
- Proximity to high-growth Asian markets and strong cultural representation makes Australia an ideal base for regional expansion
- Australia's integration with global markets makes it easier to take co-developed products to the world

## International giants in Australia

- Google
- MTX
- Microsoft
- Adherium
- CancerAid
- Eucalyptus



## Australian healthcare at-a-glance

# A hybrid public–private healthcare system

Australia's hybrid public-private healthcare system supports a dynamic research and innovation ecosystem that attracts investment and expertise from around the world



### Universal services:

Medicare is Australia's universal health insurance scheme



### Private insurance:

Health companies own 630 hospitals with 33,000 beds (1/3 the total)



### Subsidised pharma:

covers 5,200 medicines



### Funded research:

A\$20 billion Medical Research Future Fund



### High-energy innovation:

top-ranking universities, medical precincts



### Niche expertise:

oncology, neurology, tropical medicine, medical devices and diagnostics



# The Australian regulatory environment in digital health

## Therapeutic Goods Act

### Therapeutic Goods Act

regulates all therapeutic goods, including

- medicines and
- medical devices, including software as a medical device

## Privacy

**Australian Privacy Law** sets requirements for Australian government agencies and private healthcare providers on:

- Collecting
- Using
- Protecting and
- Disclosing health information.

**My Health Record** – legislation governing the national personal health record

**State and territory privacy legislation** may also apply to healthcare providers and hospitals

## Healthcare professional regulation

### Australian Health Practitioner Regulation Agency

sets professional standards for registered health practitioners including for:

- medical record keeping,
- technology-based patient consultations

## Intellectual property

Australian patent system provides the same application process across all technologies, including digital health.

## Electronic prescribing

Each state and territory has different legislation regulating the prescribing of medicines, poisons and therapeutic goods.

## Medical Benefits Schedule

Rules apply to the government subsidies for health services (Medicare). Doctors must satisfy item requirements to claim their fee back via Medicare.

## Competition

Standard competition law framework governs competition in the digital health sector.


## Telecommunications and recording

A range of Australian and state-based laws apply to recording of conversations.




# Australian digital health policy framework

## National strategy for digital health workforce upskilling




Supported by Australasian Institute of Digital Health and Australian Digital Health Agency National Digital Health Workforce and Education Roadmap

## Focus on digital health data integration

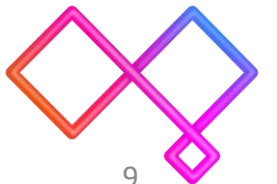


Includes budget allocations for data integration strategy across care settings

## Interoperability standards initiatives



National initiatives to establish data standards and interoperability for Electronic Medical Records, led by the Australian Digital Health Agency





We thank the **Australian Trade and Investment Commission** who the DHCRC collaborated with to produce some of the presented materials.

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