ALBERTA INNOVATES

# PROGRAM GUIDE:

# Accelerating Innovations into CarE (AICE) - Validate Program

## PROGRAM OVERVIEW

### Background

Health care expenditures in Alberta are increasingly unsustainable, with about $2.4M spent hourly and consuming approximately 40% of the provincial budget. A growing and aging population, a higher prevalence of chronic disease, a higher demand for multidisciplinary care, and the complex and expensive process required to convert health research into new health interventions suggest that the rising trend in healthcare costs will not be slowing down. Alberta needs to unlock the full potential of its health research and development and accelerate the pace of commercialization to ensure a sustainable globally competitive health ecosystem with a robust innovation-driven economy and improved health outcomes.

The advent of digital and data-enabled technologies is enabling the development of patient-focused clinical solutions, new models of care, and an acceleration of research into innovation that will form the future foundation of a more affordable, accessible, and high-quality health system for all Albertans. As a leader in health innovation and economic development, Alberta Innovates will enable digital and data-enabled health technology development through the Accelerating Innovations in CarE (AICE)-Validate Program ("The Program").

### Program Details

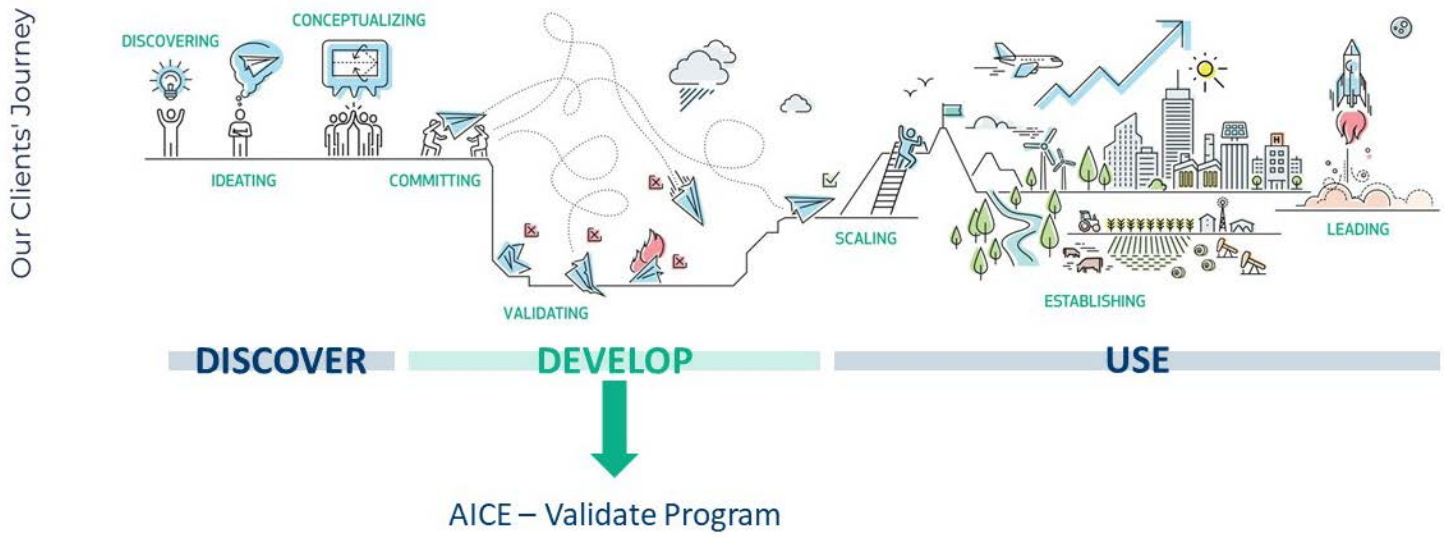
The Program supports Alberta innovators along their journey developing digital and data-enabled health technology.

This Program will help Alberta's innovators overcome the hurdles associated with digital health technology commercialization, across the key domains of:

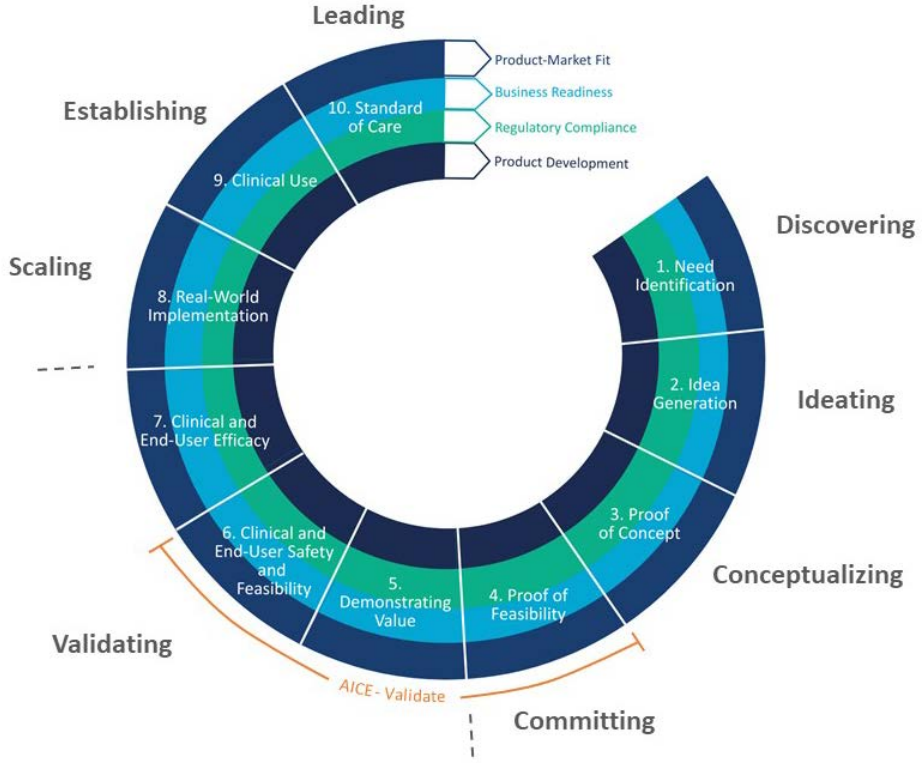
- Product Development,
- Business Readiness,
- Product-Market Fit, and
- Regulatory Compliance.

Alberta Innovates' Investment for successful Projects within the Program will be a maximum of $300,000 per Project. A minimum of 25% of total eligible Project Costs must be provided by the Applicant as cash or in-kind contributions. Applicants are encouraged to collaborate with post-secondary institutions and the Alberta health system, where appropriate.

## AICE-VALIDATE AND THE ALBERTA INNOVATES CLIENT JOURNEY




## HEALTH INNOVATION CYCLE[1] AND THE ALBERTA INNOVATES CLIENT JOURNEY




[1] Adapted from the Consortia for Improving Medicine with Innovation & Technology's Guidance and Impact Tracking System. https://www.gaits.org/ja/.

*The AICE-Validate Program is designed to accelerate innovators through the Health Innovation Cycle – from proof of feasibility to initial clinical validation.*

Projects are expected to demonstrate progression along the "Committing" and "Validating" phases across the four domains of Product-Market Fit, Business Readiness, Regulatory Compliance, and Product Development.

## HOW THE PROGRAM WORKS

An Applicant may apply at any time to the Program, as the application process is open throughout a fiscal year (subject to availability of funds).

### Eligibility

**(a) Applicant Eligibility Criteria** - To qualify as an Applicant, an entity must be:

- an Alberta-based post-secondary institution, government entity or health delivery agent; **OR**
- a for-profit Small-to-medium enterprise (SME) corporation, defined as having fewer than 500 full time employees, and less than $50,000,000 annual gross revenue, with up to date corporate filings* as a legal entity:
  - incorporated in Alberta, or
  - incorporated in another jurisdiction and extra-provincially registered in Alberta, or
  - a General Partnership, Limited Partnership, or Limited Liability Partnership and registered in Alberta; **AND**

- demonstrate completion or near-completion of all milestones associated with "Discovering", "Ideating", and "Conceptualizing" stages of the Alberta Innovates Client Journey (see the intake form on the program webpage for milestone details)

- demonstrate the relationship between the Applicant and Co-Applicant (if applicable) does not create a conflict of interest;

- be an Alberta-based entity with an Albertan footprint, which is determined by the following: significant physical and corporate operational presence in Alberta, appropriate Alberta ownership, and discernable intent that operational benefits will flow primarily within the province of Alberta;

- be in good financial standing with Alberta Innovates and its subsidiaries InnoTech Alberta and C-Fer Technologies.

**Please note, Alberta Innovates will perform a corporate search and may also seek bankruptcy and litigation searches.*

**(b) Co-Applicant Eligibility Criteria** - To qualify as a Co-Applicant, an entity must:

- be an accredited post-secondary Alberta Institution or a government affiliated health entity in Alberta, where a portion of the Project will be conducted*;
- be in good financial standing with Alberta Innovates and its subsidiaries InnoTech Alberta and C-Fer Technologies; and
- provide the service(s) and/or product(s) at reasonable market rates.

**Please note, for this Program, the Applicant and Co-Applicant can be related parties, where the Applicant Representative holds an academic appointment or is enrolled at a post-secondary Alberta Institution, or holds a position at a government affiliated health entity, provided the parties can demonstrate that any potential conflicts of interest can be appropriately managed.*

**(c) Project Eligibility Criteria**

To qualify for funding all Projects must:

- focus on progression of a digital or data-enabled health technology along the "Committing" and initial "Validating"
- stages of the Alberta Innovates Client Journey, including the four domains of Product-Market Fit, Business Readiness, Regulatory Compliance, and Product Development (see the Alberta Innovates health innovation continuous intake checklist for milestone details);
- be stepped with critical "go/no go" milestones;
- be completed within the 2-year term; and
- submit to other criteria that Alberta Innovates may develop from time to time.

## Program Objectives and Performance Measurement

The AICE-Validate Program aims to achieve health, social and economic gains for Alberta. The Program facilitates the development of digital health technology-based innovations. Specifically, it seeks to:

(i) Support the accelerated testing and development of digital health innovations through the Health Innovation Cycle.

(ii) Cultivate a high performing R&I ecosystem by contributing to a diversified economy and enhancing the health of Albertans.

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*Over the life of a Project, Alberta Innovates employs an active project management philosophy, regularly monitoring performance and supporting the Applicant to reach their objectives. Funding is tied to outcomes and achievement of results. For this reason, Alberta Innovates funds on a milestone completion basis. This means the Applicant are expected to submit a Progress Report before Alberta Innovates advances the next tranche of funds.*

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Once Projects are completed, Alberta Innovates continues to monitor performance for five (5) years to accurately evaluate the economic, social and environmental benefits realized for the province.

All Investment Agreements outline performance indicators tracked over the course of the Project and the responsibilities of the Applicant to report on outcomes subsequent to the completion of the Project. You'll find a sample Investment Agreement on our website.

Alberta Innovates has a common set of performance metrics it monitors, both at the individual Project level and for the aggregate Program. These are highlighted on the next page.

## Objectives and Performance Metrics

SHORT TERM

### APPLICANT OBJECTIVES

- Demonstrable progression along the Alberta Innovates Client Journey in the four domains of Product-Market Fit, Business Readiness, Regulatory Compliance, and Product Development.
- Partnerships with innovation ecosystem stakeholders in Alberta

### PROJECT PERFORMANCE INDICATORS

- Effective and efficient project progression, completion of project specific milestones and completion of the project on budget and on time.

LONG TERM

### PROGRAM PERFORMANCE INDICATORS

- # of digital or data-enabled technologies that successfully advance along the health innovation cycle
- $ investment attracted and revenue growth

### ALBERTA IMPACTS

Drive the generation of discoveries and developments that positively impact Alberta and its industries by leveraging partnerships, collaborations and emerging technology platforms.

## How Funding Works

**(a) Project Funding**

Alberta Innovates' maximum Investment for successful Projects is $300,000 per Project. The funds are provided to cover Eligible Expenses only. A minimum of 25% of total eligible Project Costs must be provided by the Applicant as cash or in-kind contributions. Cash contributions may not be made using funds from other Government of Alberta funding sources.

Disbursement of Alberta Innovates' Investment is determined on a case by case basis depending on the risks and needs of each successful Project, but funds will only be disbursed upon approval of required Progress and Final Reports.

**(b) In-Kind Contributions**

In-kind Contributions are defined as the non-cash provision of goods or services by the Applicant valued in monetary terms according to rules agreed upon beforehand by all parties, and within the purview of generally accepted accounting principles. The value placed on In-kind Contributions may not exceed the fair market value of the product or service.

In-kind Contributions may include provision of any products or services deemed to be Eligible Expenses as outlined in the Investment Agreement and directly related to the Project. These costs would have to be paid for if they were not provided by either party.

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*Alberta Innovates will contribute up to $300,000 CAD (to a maximum of 75% the total eligible Project Costs) to support approved Projects over a maximum term of 24 months.*

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**(b) Eligible and ineligible expenses**

Alberta Innovates only funds reasonable costs incurred. Any costs incurred prior to the Effective Date in the Investment Agreement, or costs greater than market prices are deemed ineligible. Please refer to our standard form Investment Agreement found on our website to get an in-depth understanding of eligible and ineligible costs.

## HOW TO APPLY

### STEP 1
### Intake Form

Interested Applicants who meet the Program Eligibility requirements defined earlier should submit an Intake Form.

Prospective Applicants are free to contact the AICE-Validate Program Manager with any questions or concerns prior to submitting the Intake Form.

To evaluate your readiness for this program, please contact:

Sean DeWitt
Senior Business Partner
780-429-7660
sean.dewitt@albertainnovates.ca

### STEP 2
### Pre-Application Meeting

It is recommended to hold a pre-application meeting between the Applicant and Alberta Innovates and any potential project partners.

This meeting will ensure that all parties are aligned in terms of the desired Project objectives, deliverables and outcomes.

### STEP 3
### Full Application

Full Applications ('Applications') will be accepted at any time, subject to available funds.

Applications will be reviewed by internal and external reviewers with relevant commercialization and technical expertise.

## EVALUATION PROCESS

During the different phases of the program, Alberta Innovates leverages internal staff and external expert reviewers to evaluate the Applications submitted. Alberta Innovates evaluates promising technologies based on criteria related to the innovation opportunity, market opportunity, commercialization path, project implementation, business readiness, and potential for Alberta impact.

Alberta Innovates retains the sole right to determine the evaluation process and does not disclose the names of its external reviewers to ensure their objectivity and impartiality. All external parties are subject to both confidentiality and conflict of interest policies set by Alberta Innovates.

*The assessment criteria and all investment decisions are at the sole discretion of Alberta Innovates.*

## TERMS AND CONDITIONS

This Program Guide is intended as a high-level overview of the Program. It provides interested Applicants with a roadmap of what to expect over the lifecycle of an AICE-Validate Program Project, from the announcement of the program, through the Application stage, during the Project and post-completion. Should you have any questions about this guide or what is expected, please contact Alberta Innovates. Please be aware Alberta Innovates may modify this guide from time to time in keeping with any changes to the program.

Alberta Innovates will only correspond in writing and provide copies of the Application to the person named in the Application form as the one authorized to speak for the Applicant.

Once we have evaluated and approved an Application for funding, Alberta Innovates will require the Applicant to sign our standard form Investment Agreement. A copy of the Investment Agreement is available on the Alberta Innovates website. The Investment Agreement sets out in detail the roles, responsibilities and obligations of the various Parties to ensure a successful Project. Alberta Innovates will not provide any funding until the Investment Agreement has been signed by all Parties.

Alberta Innovates will only fund Applicants who have satisfied all eligibility criteria. Meeting the eligibility criteria does not guarantee access to funding, and all funding decisions will be made by Alberta Innovates at its sole discretion.

## EQUITY, DIVERSITY AND INCLUSION (EDI)

Alberta Innovates believes the Research and Innovation ecosystem is stronger and more sustainable when it is broadly reflective of the overall diversity of our community and therefore embraces the principles of Equity, Diversity and Inclusivity.

## CONTACT INFORMATION

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