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Elisabeth Svanberg MD, PhD, a seasoned industry expert, having worked for established MNCs such as Serono, BMS & J&J, now sits on the board of Sweden's national champion SOBI, is a Swede at heart and shares her views on the strengths of Sweden's healthcare and life sciences ecosystem. Svanberg stresses the importance of education, and continuing education, in order to continue generating the talent for the industry, in addition to commenting on how the model of collaboration could certainly help local companies in the country become international partners.

What do you see as the main strengths of the Swedish model of healthcare?

The Swedish healthcare system is working effectively, staff are usually well educated and there is availability of supplies and medicines that is well appreciated. Although, access and timings to certain therapies may be slow, Sweden is relatively quick to adopt new therapies. Living abroad I have certainly experienced how Sweden is a reference model for patient treatment, and this goes back more than 20 years, to the time when I was still practicing medicine in Sweden.

Looking at waiting times, the situation has not changed for the better, and it seems patients could wait a very long time before being treated, particularly for non-lethal conditions. This was true already 20 years ago, and news reports now indicate that this delay is also occurring in the oncology settings. However, I have a sense that for a real urgent, acute, even catastrophic condition, you are well taken care of in Sweden – regardless of your finances, area of residency or other socio-economic factors.

Having said that, while medicines will always have a price, affordability is important. The main consideration for affordability is which system to decide who picks up the bill; applying socialized medicine, access is granted at a governmental level while in systems with private payers access is granted at a personal level of affordability. Sweden applies socialized medicine and a system to ensure reimbursement makes sense for the patient and for the society, the trade-off is not made in the personal purse. Taking an extreme example, the benefit of one is valued against the benefit of many – e.g. a heart transplant vs immunization for children.

It is true that healthcare is universal in Sweden, and to me as a medical doctor this is an important feature of the country's healthcare model. Although universal healthcare is present in many countries in the world, this is not the case for the US as an example. In the US, where I worked for many years, affordability of healthcare occurs at the personal level – whether you can afford your health insurance, can afford the costs for care and medicines. Payment models for medicines were often discussed in the companies, as well as assessing the eventual impact of political decisions upon pricing and reimbursement.

Irrespective of the model applied, there will always be a tension between the payment body and any company . The dynamic tension, or constructive conflict, is worthwhile, and is an important feature of the Swedish model of healthcare.

What would you highlight as the main strengths of the country's ecosystem in terms of medical innovation today?

Sweden has a history of innovation, and several important medicines have emerged out of the country's ecosystem. This has laid a solid R&D foundation. Moreover, we should not forget the value of the Medical Products Agency (MPA), our national regulatory approval agency which has for years had an extraordinarily good reputation with their staff holding important roles at the European medicines Agency (EMA). The quality of the MPA can ultimately result in Sweden being a market where companies launch their products in first.

Evidently, Swedish companies are becoming more and more internationally focused, likely as a result of the domestic market being relatively small. Looking at their investments (e.g. money and time) companies are eager to bring their innovations to fruition. In order to achieve this, you have to look broader than a single, small, market. Yet the strength and reputation of the MPA, as already mentioned, makes them an attractive agency for advice. At the end of the day, drug development does not happen in isolation – the dialogue with the health authorities is critical. For companies in Sweden it is valuable to have a reputable agency, the proximity of dialogue is paramount for success.

Having mainly worked overseas, what do you think Sweden can learn from other innovative countries when it comes to improving its R&D ecosystem?

What I find surprising in a Swedish health care environment, is the notion to complain that it is possible “buy” access to health care ahead of the waiting. It is acknowledged that that queues and waiting times, as well as delays, are a significant problem in Sweden, so in reality those patients who have arrangements for a private insurance to provide private care essentially leave the waiting queue – shortening it for those who remain. This is an outcome that benefits not only the patient with private insurance, but also to the patients without such private insurance waiting in that queue. Nonetheless, this seems to create a tension in a country set on “egalitarianism”, even when moving to a system providing multiple options would be a benefit to all.

Another main concern looking from the outside in, is the failing education system; the Swedish school education has dropped considerably in its global ranking. Looking at this from a next generation perspective, especially when Sweden used to be ranked amongst the best schooling system in the world and is no longer so, there is a great concern of the talent coming out of the country now. I think Sweden really needs to up its horizons again in its education system. Looking around, Finland is ranked higher and is a mere stone throw away from Sweden- there is a lot to learn and there is certainly room for improvement in learning and teaching. This is vital in order to educate the new generation of talent, for the country at large and for the life sciences industry.

Looking at the local industry, do you think they can compete with the MNCs of the world?

It is important to remember that for small and medium size enterprises (SMEs), it is not a question of whether they can compete directly with large multinational companies (MNCs) but more how can they complement these bigger organizations. Companies both big and small have everything to win from collaboration agreement, acquisition or partnership.

The MNC model as we have known it, bringing a drug from bench discovery to commercialization, is changing. The collaboration mindset seems to be growing in the industry, and MNCs increasingly launch drugs which were discovered by smaller companies, or even stem from academia settings. I saw some data several years ago that the mere process of a licensing agreement has a value for the medicines to reaching the market, the patients. It was hypothesized then that this is due to the rigor of the due diligence process, and by applying the review only the more-likely-to-succeed molecules gets into development.

Unlike Switzerland that still has its national champions Novartis and Roche, Sweden lacks a “domestic champion” since Astra and Pharmacia have since become AstraZeneca and Pfizer respectively, with far less presence in Sweden. Looking forward, the question is how the current landscape is going to affect the ability of Sweden’s R&D capabilities, when the critical mass is diminishing. In my view, we do not have the answer to this yet, but I am pleased to see that Sweden is still in a strong position with SMEs.

Do you think there is still potential for Sweden to create another national champion like Astra or Pharmacia?

I would be surprised if another Astra of Pharmacia rose in Sweden, simply because it is more common for big companies to merge with smaller ones, than for small companies to become MNCs. There are of course exceptions, so we speak in generalities here and I would be surprised if an SME would want to become immersed into the machinery of a big corporation. I believe that those starting, running and driving SMEs innovation flourish in small companies, they have a certain mindset that makes them the innovators that they are.

The main issue that could put Sweden at a disadvantage is not the lack of a “national champion” but more so the talent pool, when the industry greenhouse that was Astra and Pharmacia cultivating industry talent is diminishing. This is a limitation on Sweden’s potential in life sciences and needs to be watched carefully.

What does Sweden need to execute in order to continue to thrive in the global landscape?

Although Karolinska has a good reputation and produces good talent and content, the main question goes back to continued education in order to rolling out and hone talent in the country. An important feature to Sweden is our success when it comes to collaboration; hierarchy does generally not dominate the scene. The Sweden I know allows the curiosity to question, to ask “why?”, and fosters an open mindset to form new ideas, which will build and evolve current knowledge and experience.

What would be your final message to our audience?

Universally, the global industry, life science and other, needs to open its eyes to the 50 percent of the population constantly and consistently overlooked as talented experts and leaders. There is an untapped potential in women, who do well at school, who consistently deliver in the workplace, who apply a different (different, not better, not worse –just different) angle than the other half of the population. It is called diversity of thought and mind. The industry would be foolish not to exploit this resource.

Domestically and technically Sweden’s unique asset – its Quality Registries – provides a unique way to analyse the effects of healthcare. While important not to abuse in terms of private information, the opportunity to evaluate natural history of disease as well as treatment effects is a unique feature, a treasure.

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