

HEDGEYE

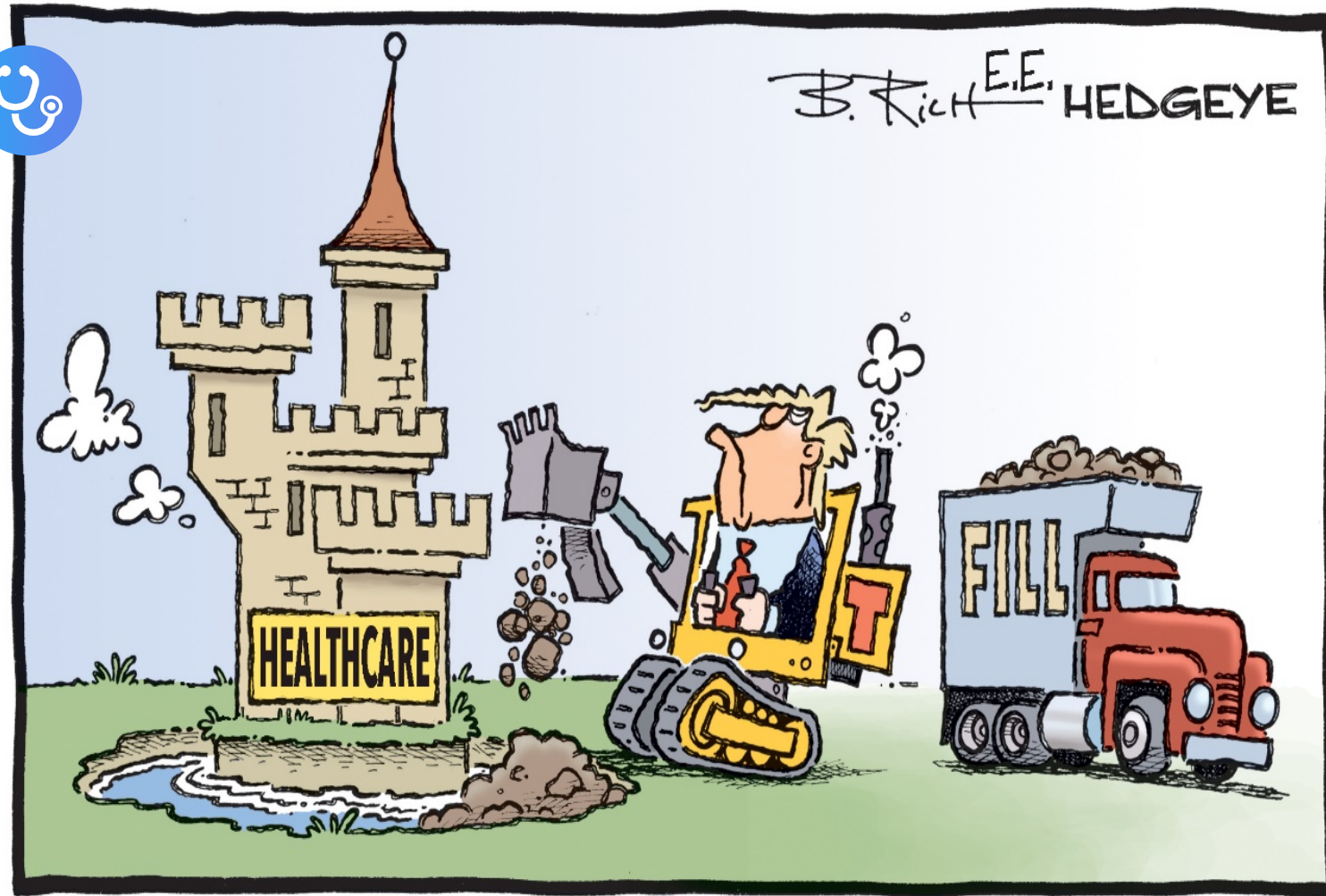
Hedgeye Health Care Q&A

DXCM, DVA and HQY Up on the Short List;
Employment; Drug Price and Dialysis Policy

July 8, 2019



B. Rich ^{E.E.} HEDGEYE



Health Care

Thomas Tobin

Emily Evans

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Health Care Position Monitor

Best Ideas - Longs						Best Ideas - Shorts							
	Price	Mkt Cap (\$B)	Score	Trend	Tail		Price	Mkt Cap (\$B)	Score	Trend	Tail		
LONG						SHORT							
Active Longs						Active Shorts							
ANTM	Anthem, Inc.	\$ 284.06	\$73.1B	(16.27)	✓	✓	DVA	DaVita Inc.	\$ 58.27	\$9.7B	(14.61)	✗	✗
THC	Tenet Healthcare Corporation	\$ 19.35	\$2.0B	(21.90)	✓	✓	HQY	HealthEquity Inc	\$ 64.65	\$4.1B	(14.72)	✗	✗
AMN	AMN Healthcare Services, Inc.	\$ 54.44	\$2.5B	(5.02)	✓	---	UNH	UnitedHealth Group Incorporated	\$ 246.99	\$234.7B	(8.84)	✗	✗
ZBH	Zimmer Biomet Holdings, Inc.	\$ 117.81	\$24.1B	(17.31)	✓	✓	DXCM	DexCom, Inc.	\$ 146.99	\$13.4B	(35.66)	✗	✗
TDOC	Teladoc Health, Inc.	\$ 68.28	\$4.9B	(46.25)	✓	✓	MDRX	Allscripts Healthcare Solutions, Inc.	\$ 11.57	\$1.9B	(4.44)	✗	✗
							SYK	Stryker Corporation	\$ 208.56	\$77.8B	(9.60)	✗	✗
Long Bias						Short Bias							
ILMN	Illumina, Inc.	\$ 378.23	\$55.6B	(10.09)	---	✓	ABBV	AbbVie, Inc.	\$ 72.99	\$107.9B	(9.53)	---	---
HCA	HCA Healthcare Inc	\$ 138.53	\$47.4B	(9.73)	---	✓	MYGN	Myriad Genetics, Inc.	\$ 27.65	\$2.0B	(21.90)	---	---
UHS	Universal Health Services, Inc. Class B	\$ 131.38	\$10.9B	(10.21)	---	✓	EXAS	Exact Sciences Corporation	\$ 118.05	\$15.2B	(17.83)	---	---
MD	MEDNAX, Inc.	\$ 25.24	\$2.2B	(18.50)	---	✓							
DGX	Quest Diagnostics Incorporated	\$ 103.26	\$13.9B	(12.95)	---	✓							
LH	Laboratory Corporation of America Holdings	\$ 177.78	\$17.5B	(10.08)	---	✓							
GWPH	GW Pharmaceuticals PLC Sponsored ADR	\$ 172.00	\$5.3B		---	✓							

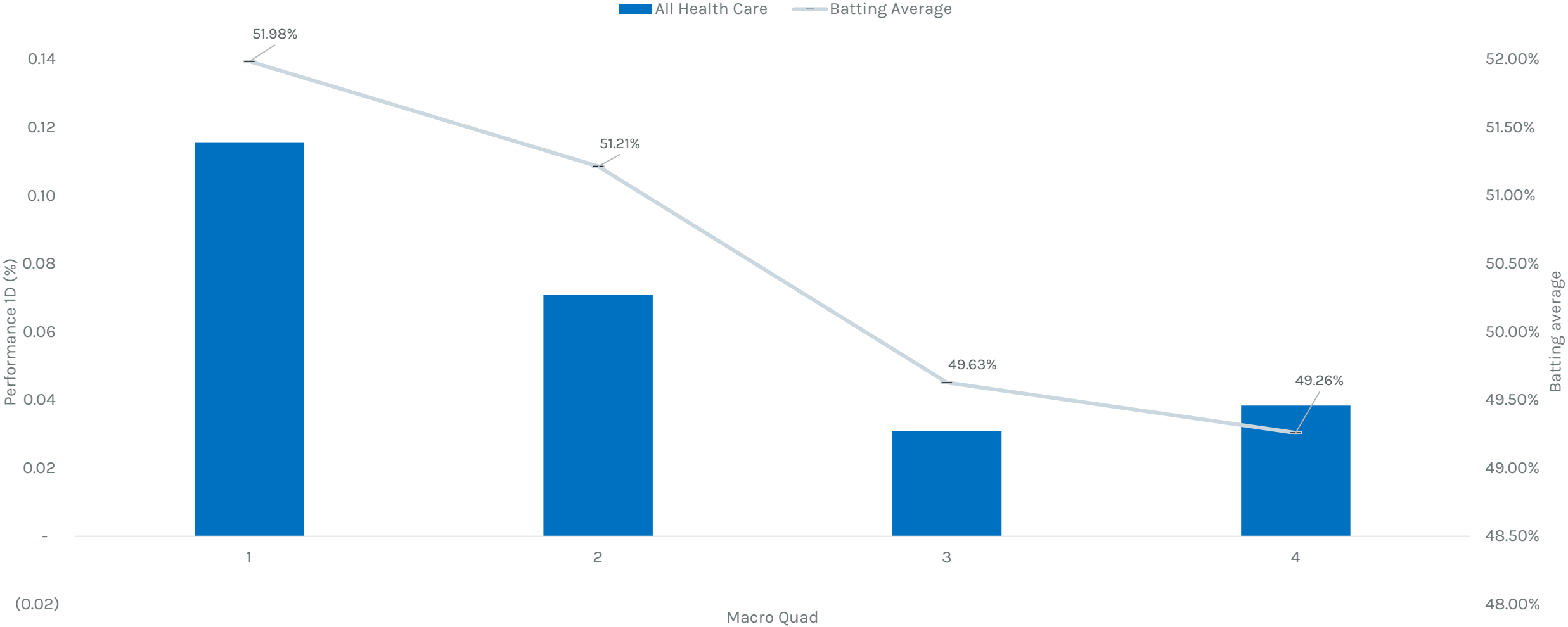
Changes to Best Idea shorts, DVA and DXCM higher, HQY lower

Hedgeye's Bias represents Hedgeye's outlook on companies currently under Hedgeye's review, or for which timing is not right for greater coverage. Hedgeye may or may not provide further commentary on any or all companies represented on the Bias list and representation of a company on the Bias list does not forecast whether Hedgeye will or will not issue any additional material on that company.

Risk score is an expression of the difference between out performance and under performance in stock price based on Hedgeye machine learning algorithm techniques that calculate the score by factoring a number of Hedgeye selected data inputs.

Daily Performance by Macro Quad

Results change when limit set between 5th and 95th percentiles



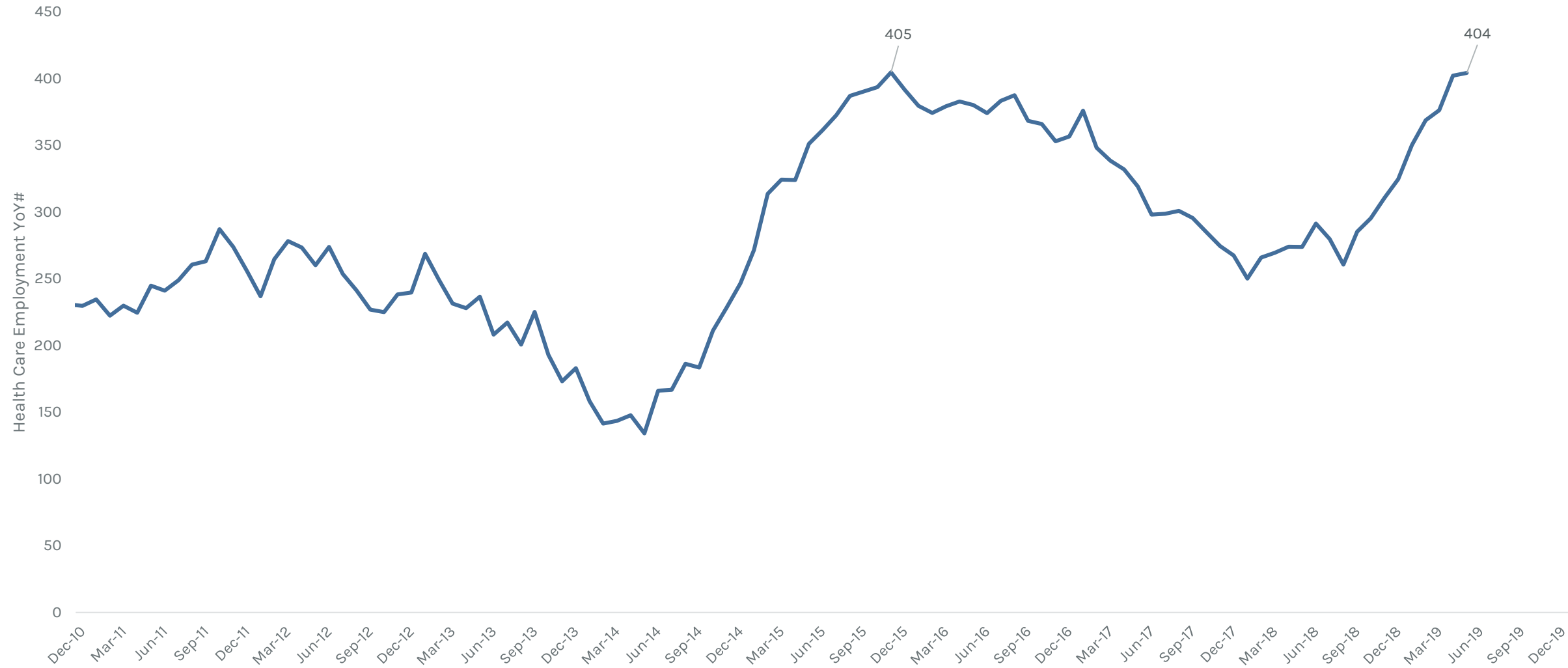
Daily Performance by GICS Industry

Identifying sector with highest probability of success

GICS	Count	All	Performance_1D				Batting Average			
			1	2	3	4	1	2	3	4
All Health Care	171	0.06	0.12	0.07	0.03	0.04	51.98%	51.21%	49.63%	49.26%
Life Sciences Tools & Services	14	0.07	0.16	0.06	0.05	0.00	53.60%	52.40%	50.59%	49.28%
Biotechnology	26	0.05	0.11	0.06	0.01	(0.01)	50.91%	49.72%	48.41%	47.29%
Health Care Providers & Services	46	0.08	0.12	0.08	0.04	0.08	52.40%	51.46%	50.10%	50.25%
Health Care Equipment & Supplies	50	0.07	0.10	0.09	0.04	0.05	52.21%	52.04%	50.09%	49.76%
Pharmaceuticals	26	0.04	0.11	0.05	0.01	(0.01)	51.18%	50.31%	48.41%	48.26%
Health Care Technology	9	0.07	0.11	0.06	0.04	0.05	51.26%	50.17%	49.69%	49.29%

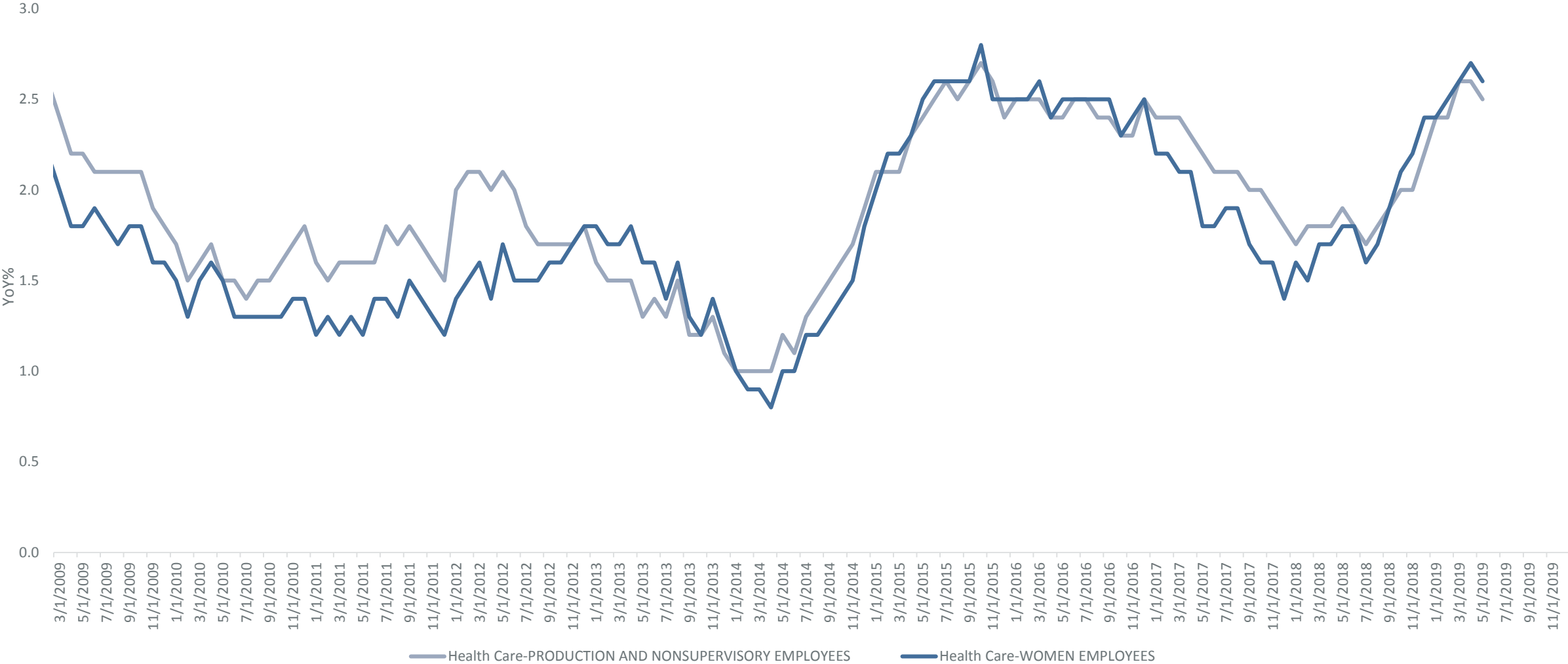
Health Care employment

Year over year change in Health Care Employment at #ACA peak



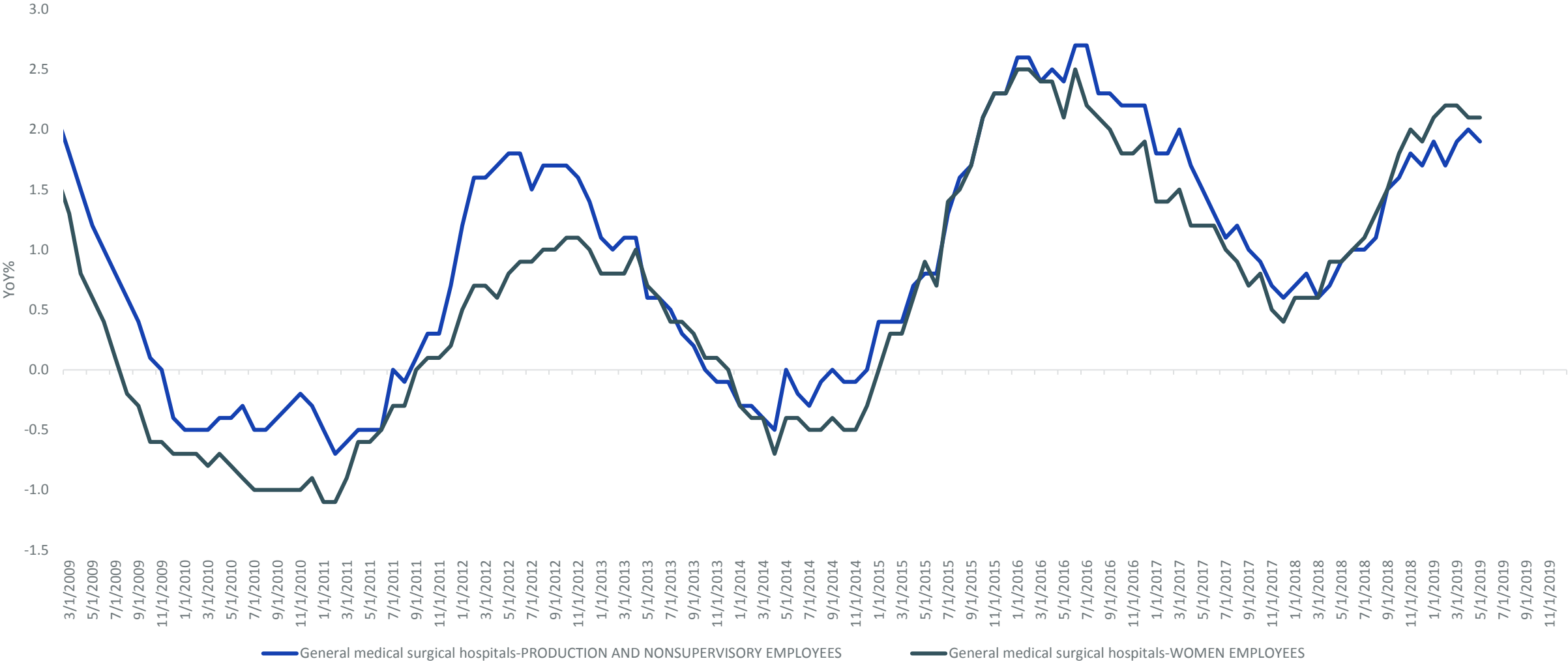
Health Care employment

Employment of women and production and non-supervisory employees



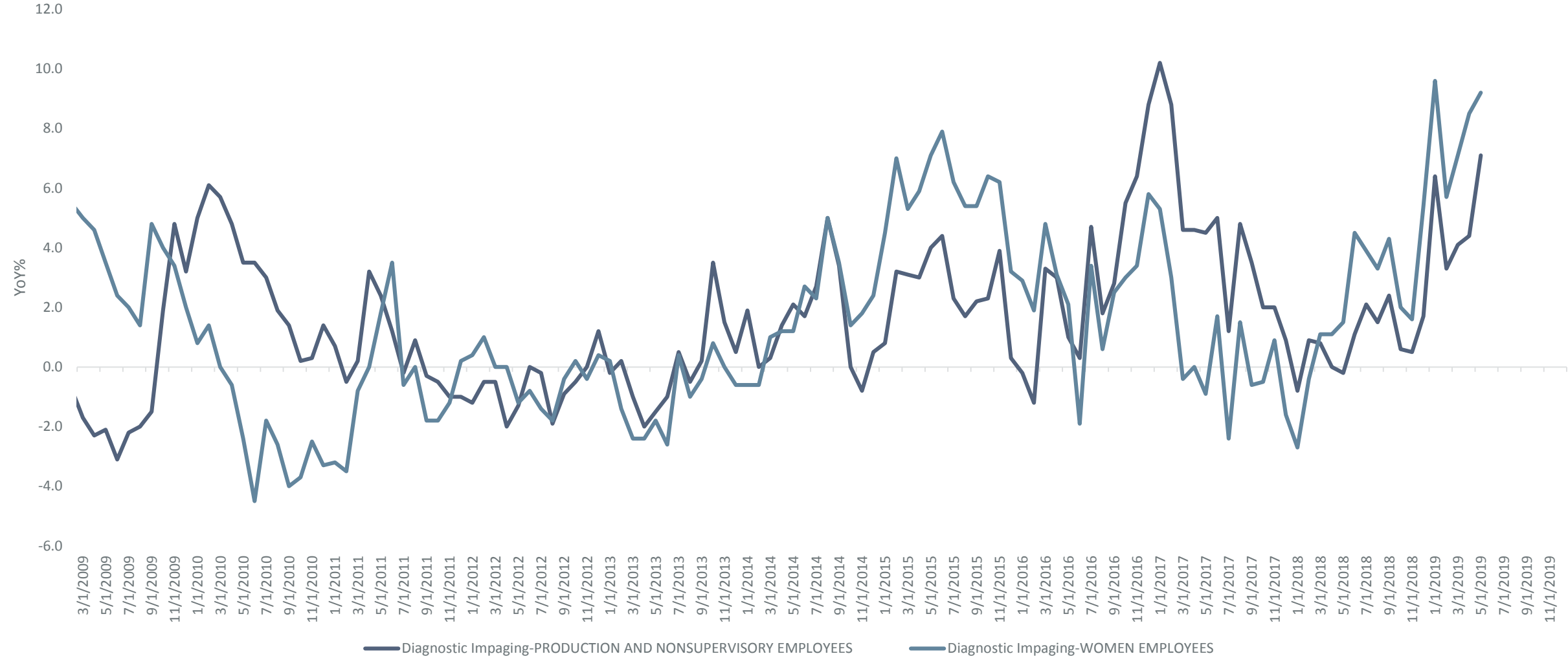
General medical and surgical hospitals

Employment of women and production and non-supervisory employees



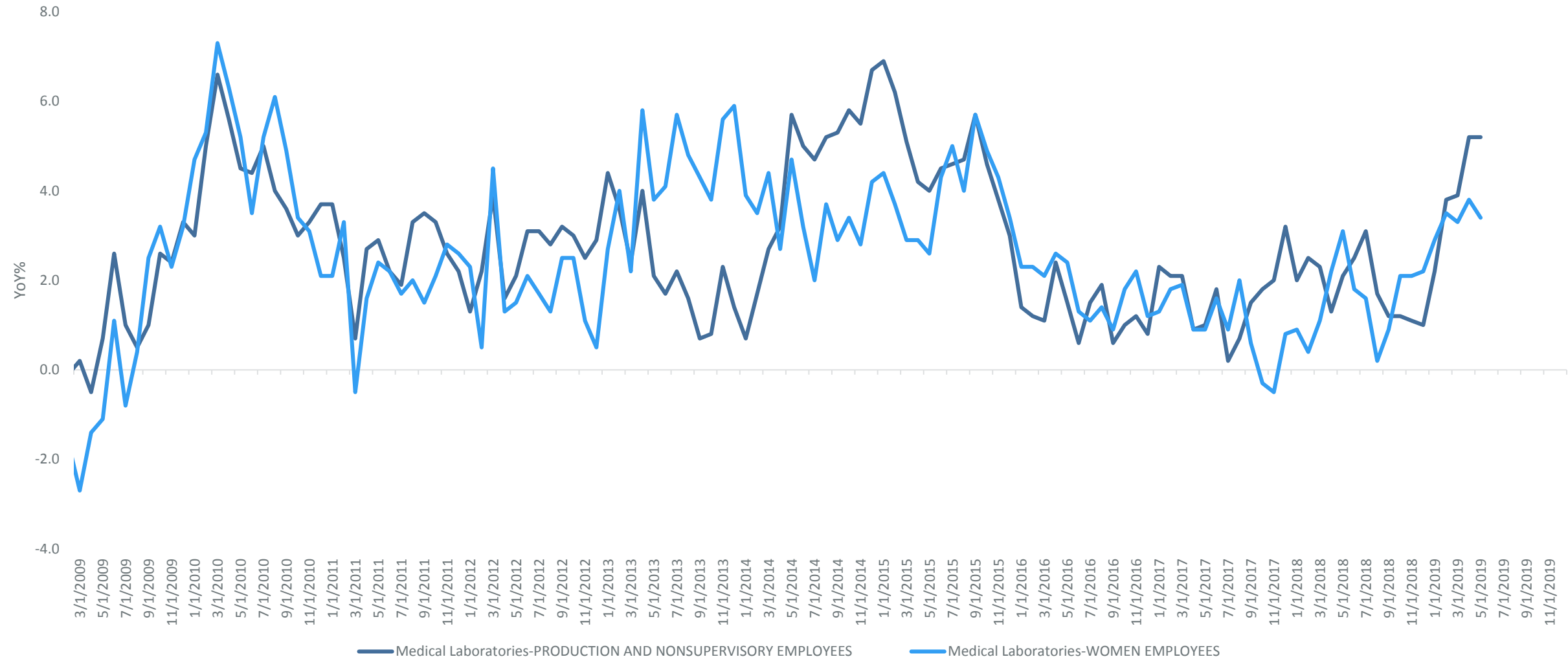
Diagnostic imaging

Employment of women and production and non-supervisory employees



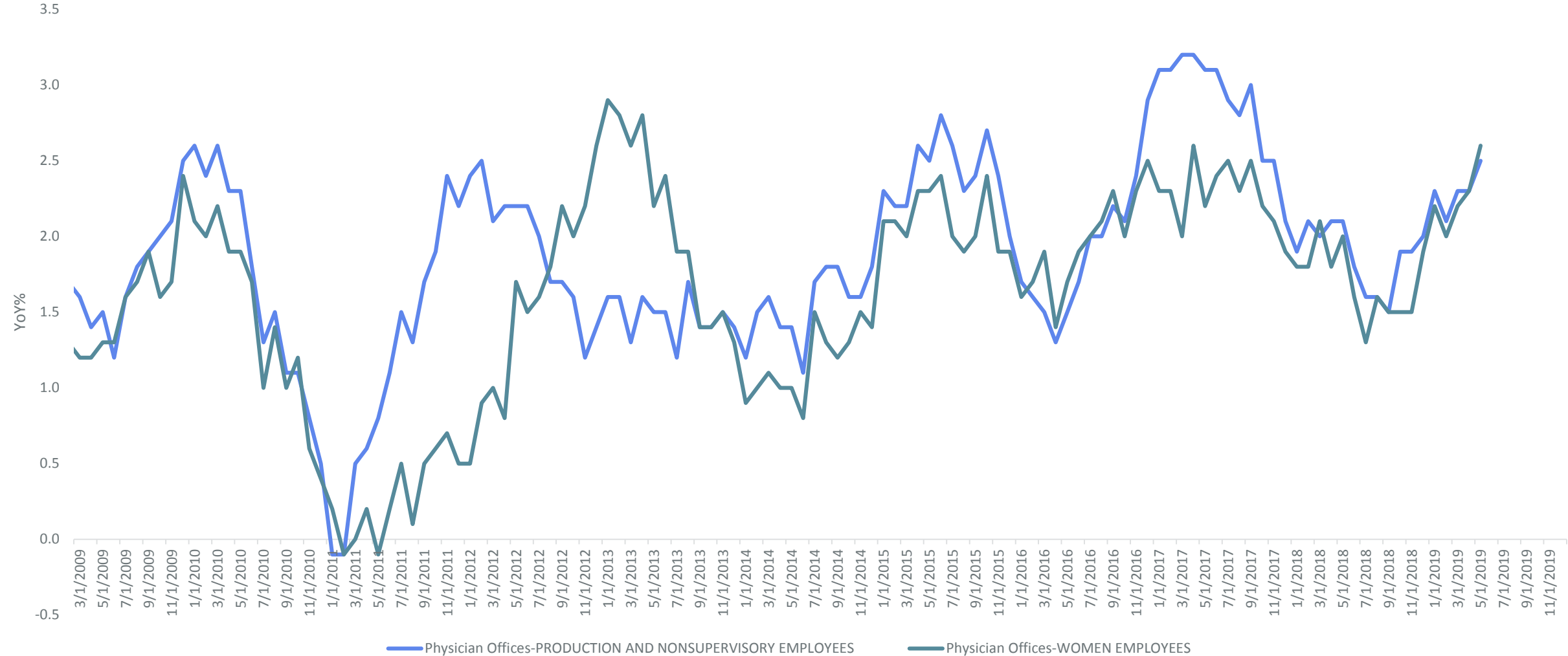
Medical laboratories

Employment of women and production and non-supervisory employees



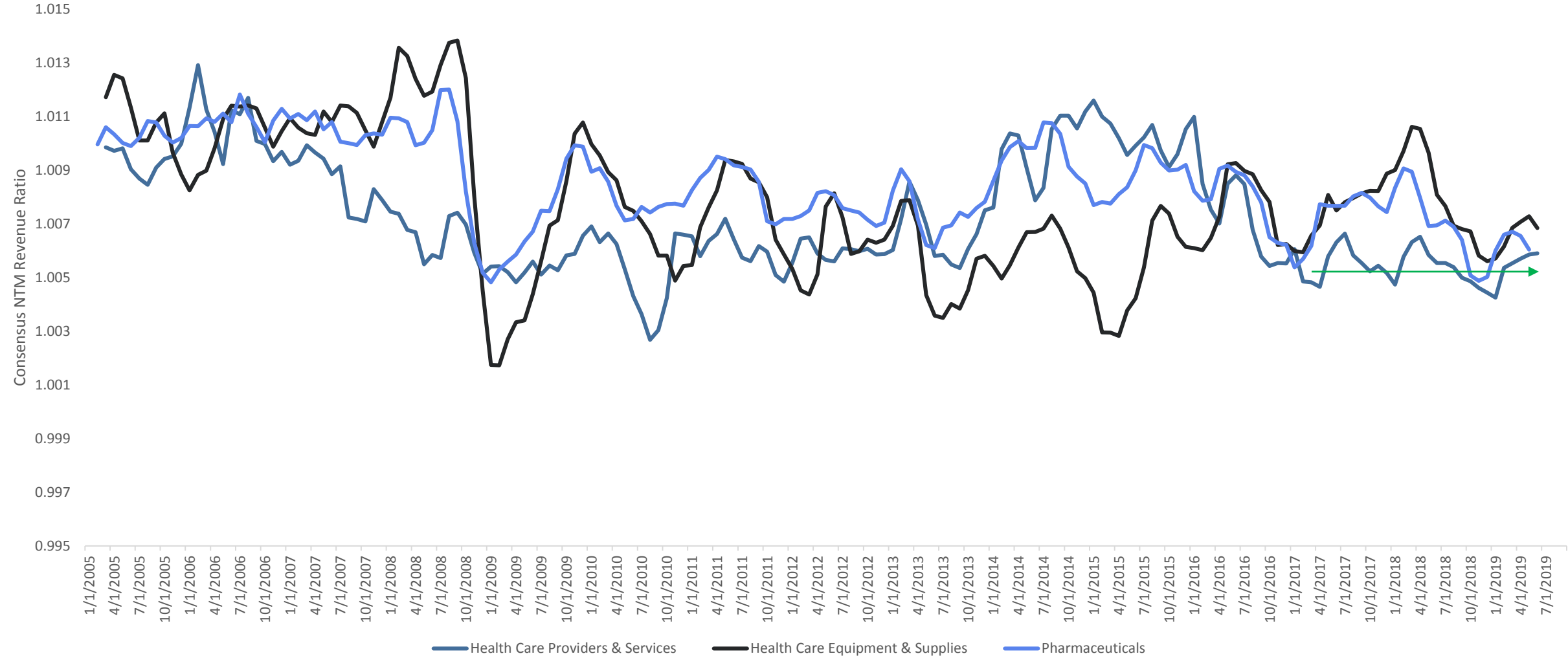
Physician offices

Employment of women and production and non-supervisory employees

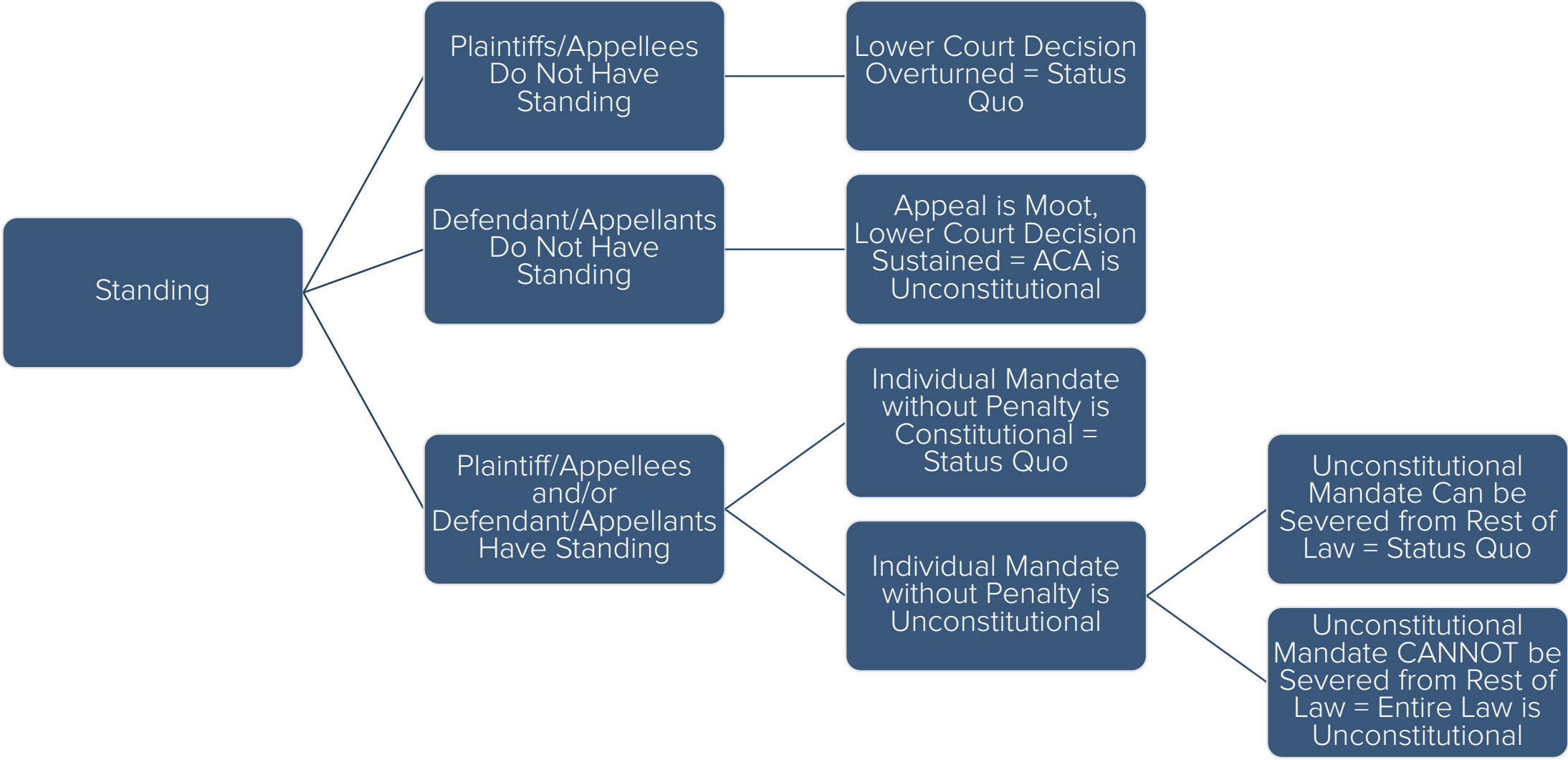


Consensus Revenue Trend

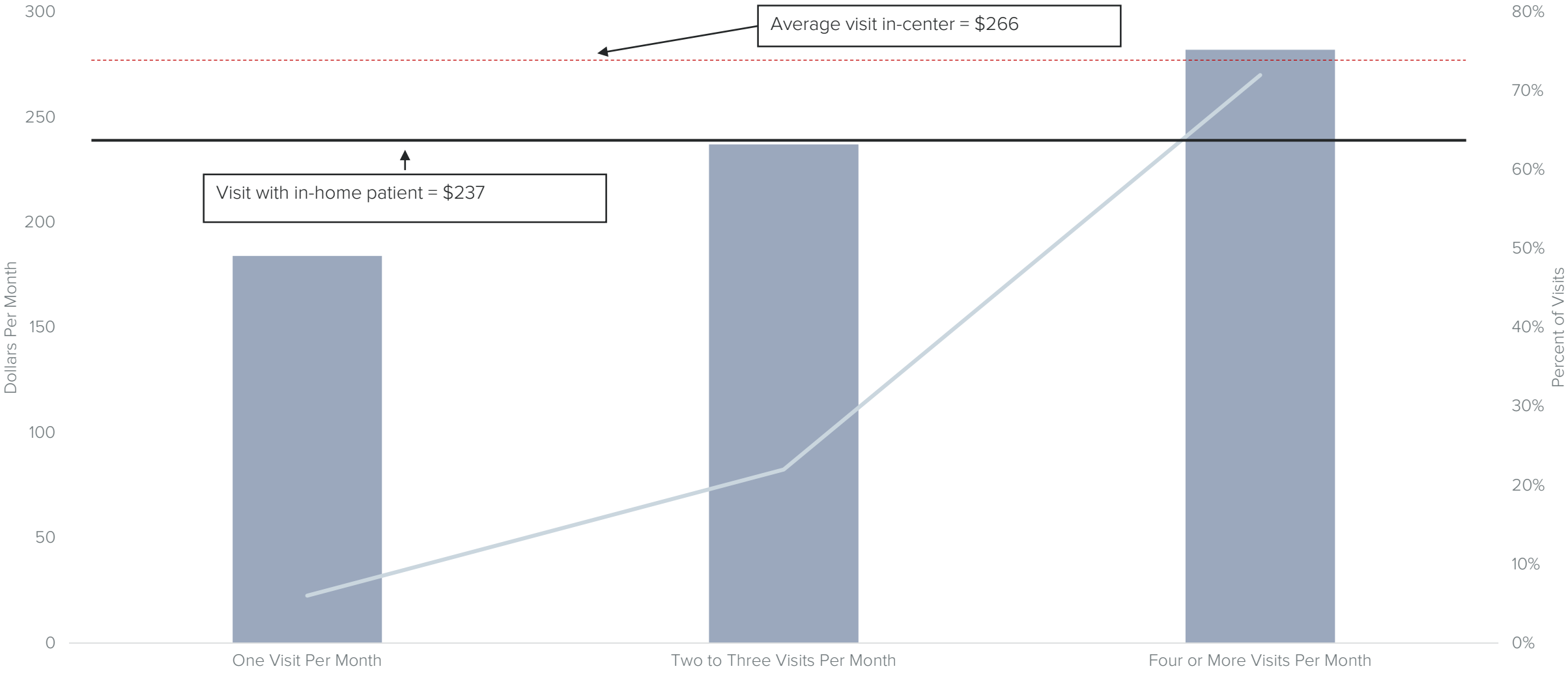
Month over month ratio of forward 12 month consensus revenue by GICS



ACA Constitutional Challenge – Range of Outcomes



Home Dialysis – Medicare Underpays for Visits



For more information, contact us at:

sales@hedgeye.com

(203) 562-6500