

HEDGEYE

Hedgeye Health Care Q&A

Labor Impacts, CA AB290, DXCM Tough
Comparables, Guardant Health, and MS Conf. Notes

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Hedgeye Health Care

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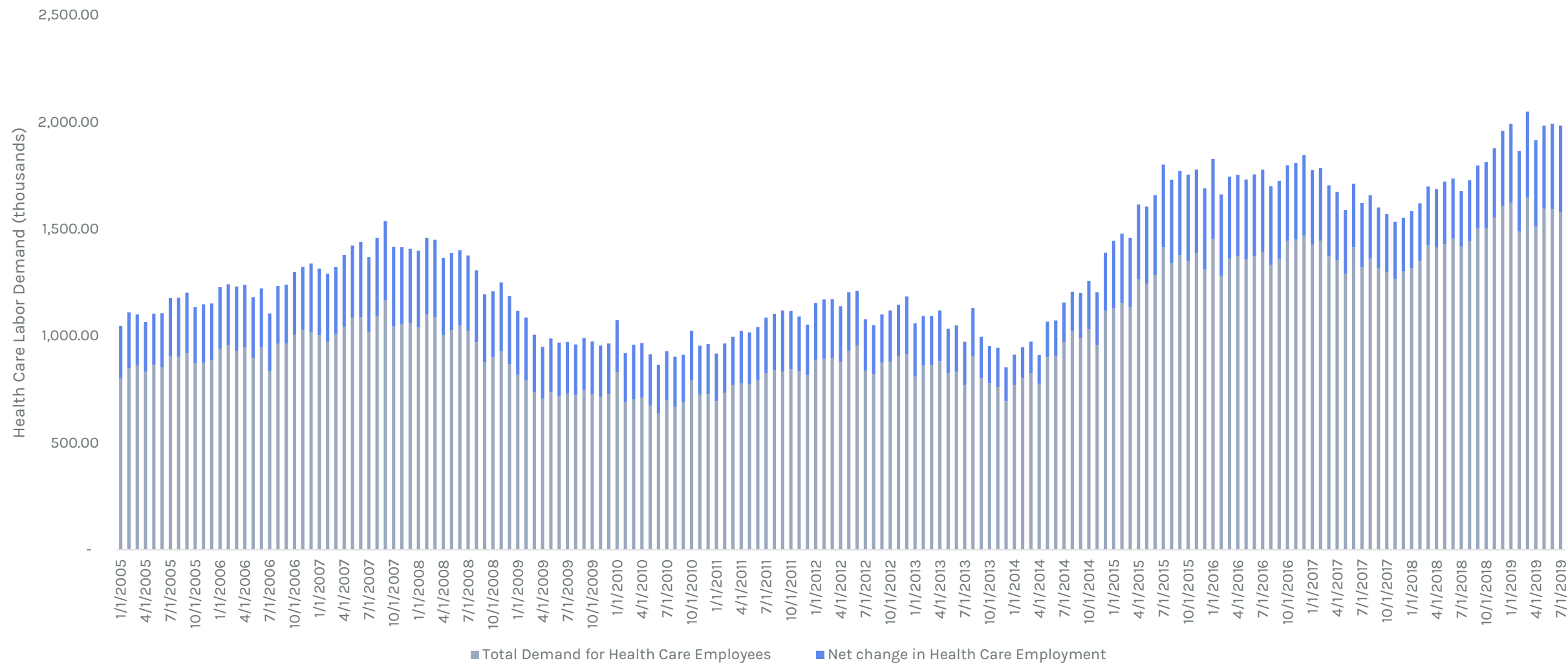
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Please submit questions* to
qa@hedgeye.com

*Answered at the end of the call

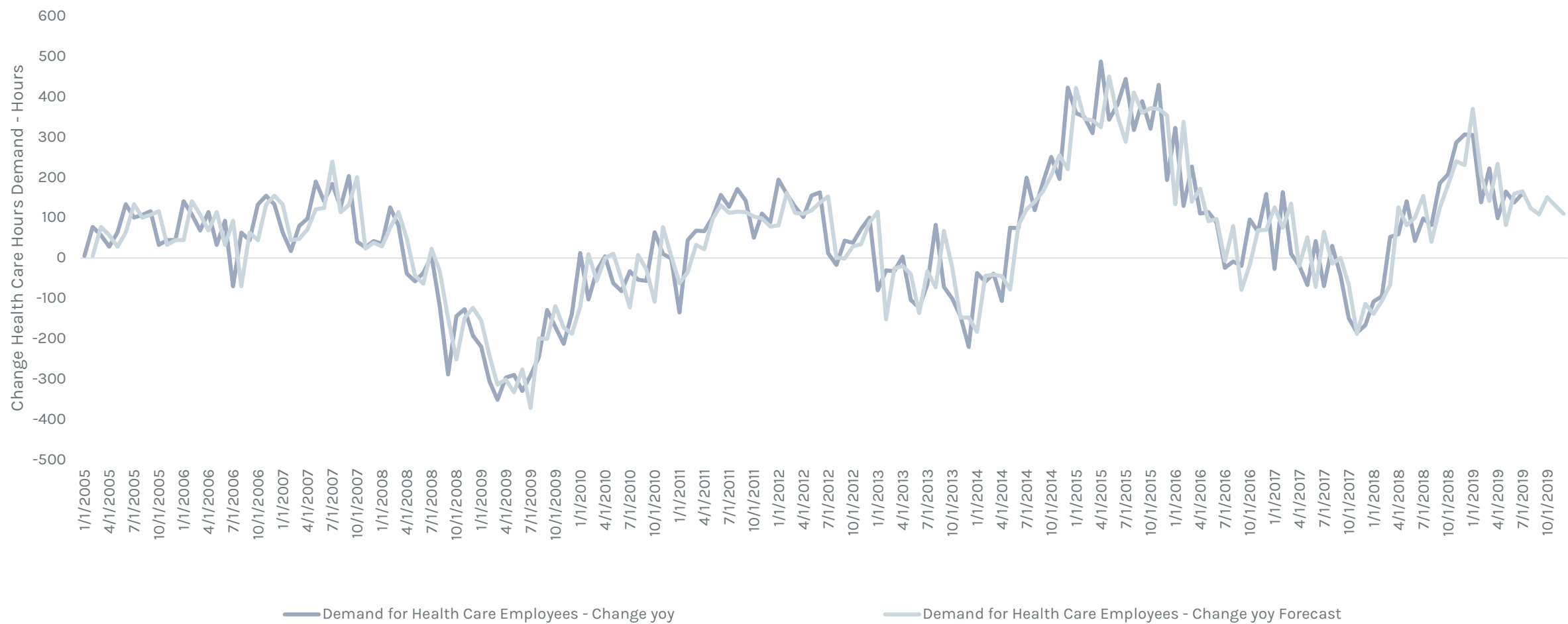
Labor Impacts

Health Care Labor Demand



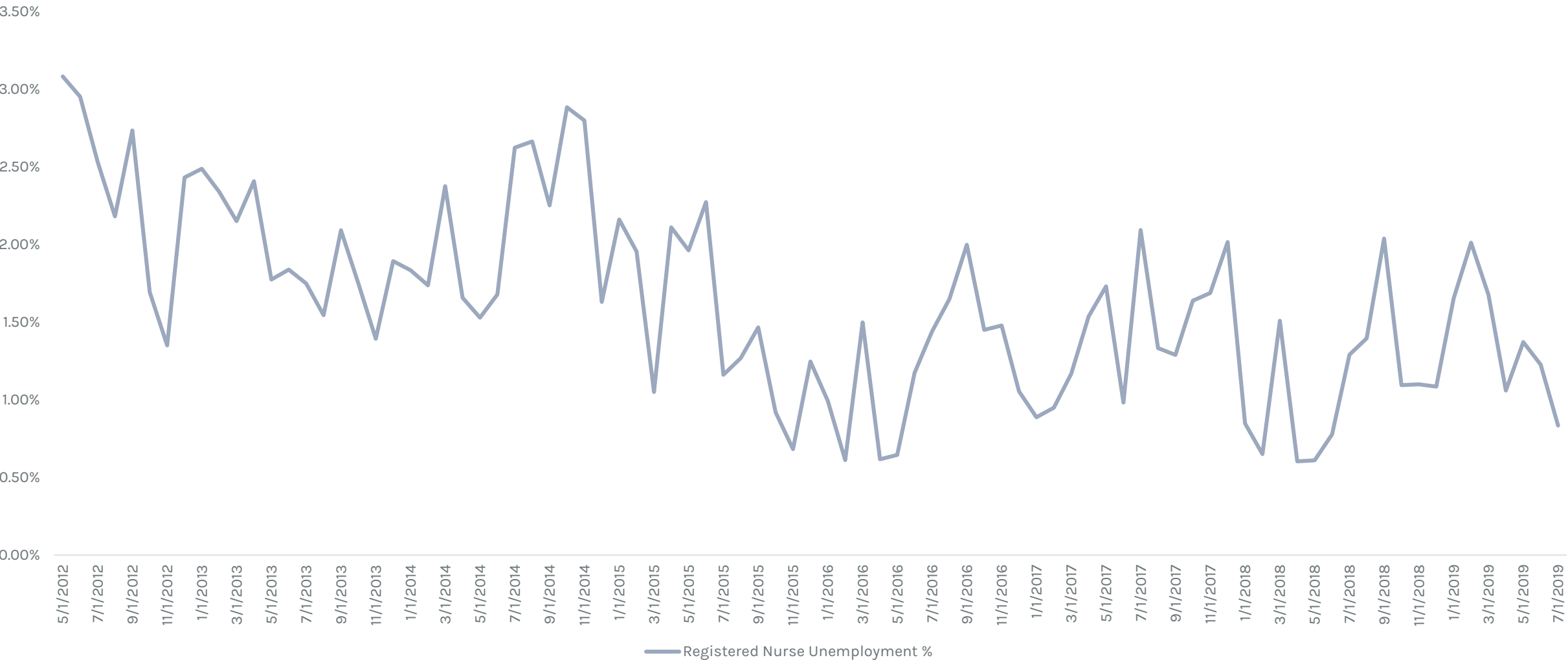
Growth Metrics

Change & Forecast of Health Care Hours Demand



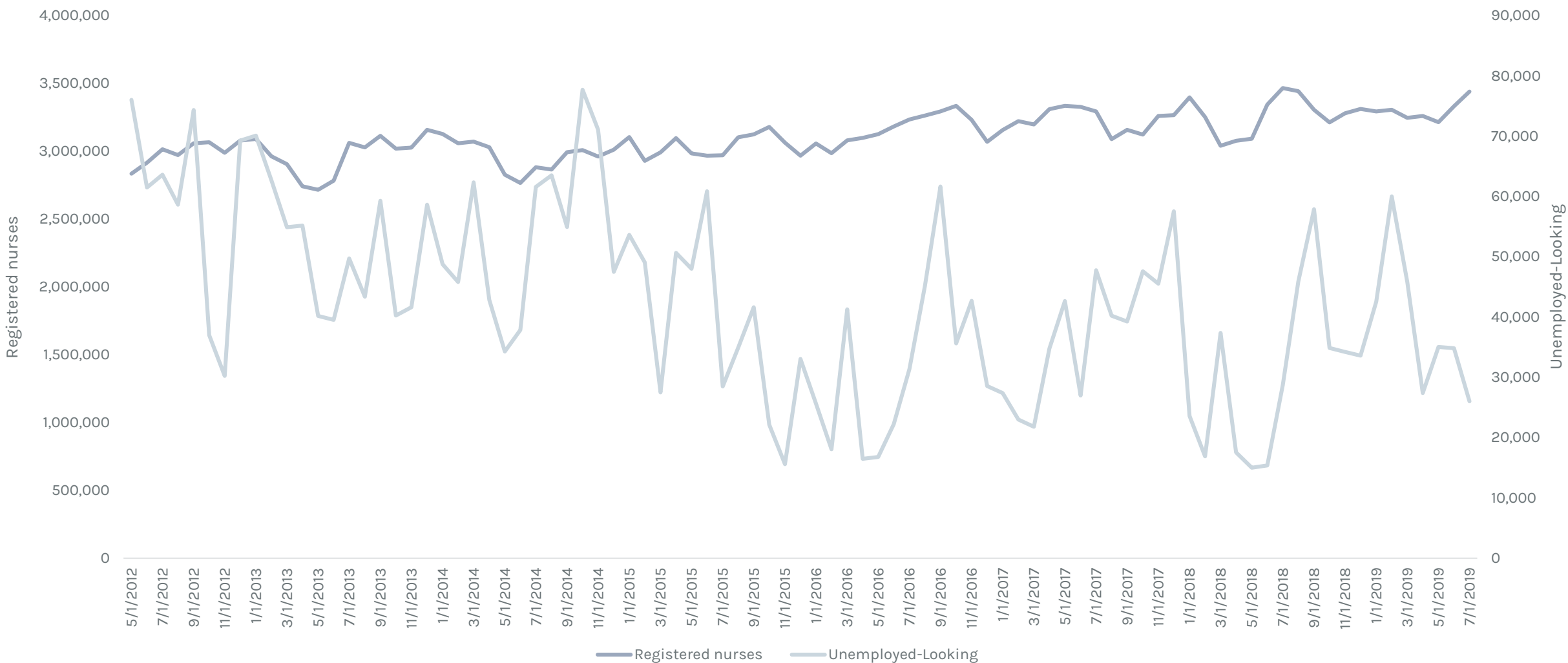
Shortage of Supply

Registered Nurse Unemployment



Opportunity: AMN Healthcare Services, Inc. (AMN)

Registered Nurses & Unemployed-Looking Nurses



AB290 Provisions

Prohibits Steering

- Prohibits dialysis clinic from steering, directing, or advising a patient regarding any specific coverage program
- Requires notice informing patients of Health Insurance Counseling and Advocacy Program

Regulates Reimbursement

- Contracted providers – reimbursement is the higher of Medicare rate or rate determined through an Independent Dispute Resolution Process
- Noncontracted providers – reimbursement is the lower of the terms and conditions of the policy or IDR
- Generally effective on Jan. 1, 2022

Grandfather Clause

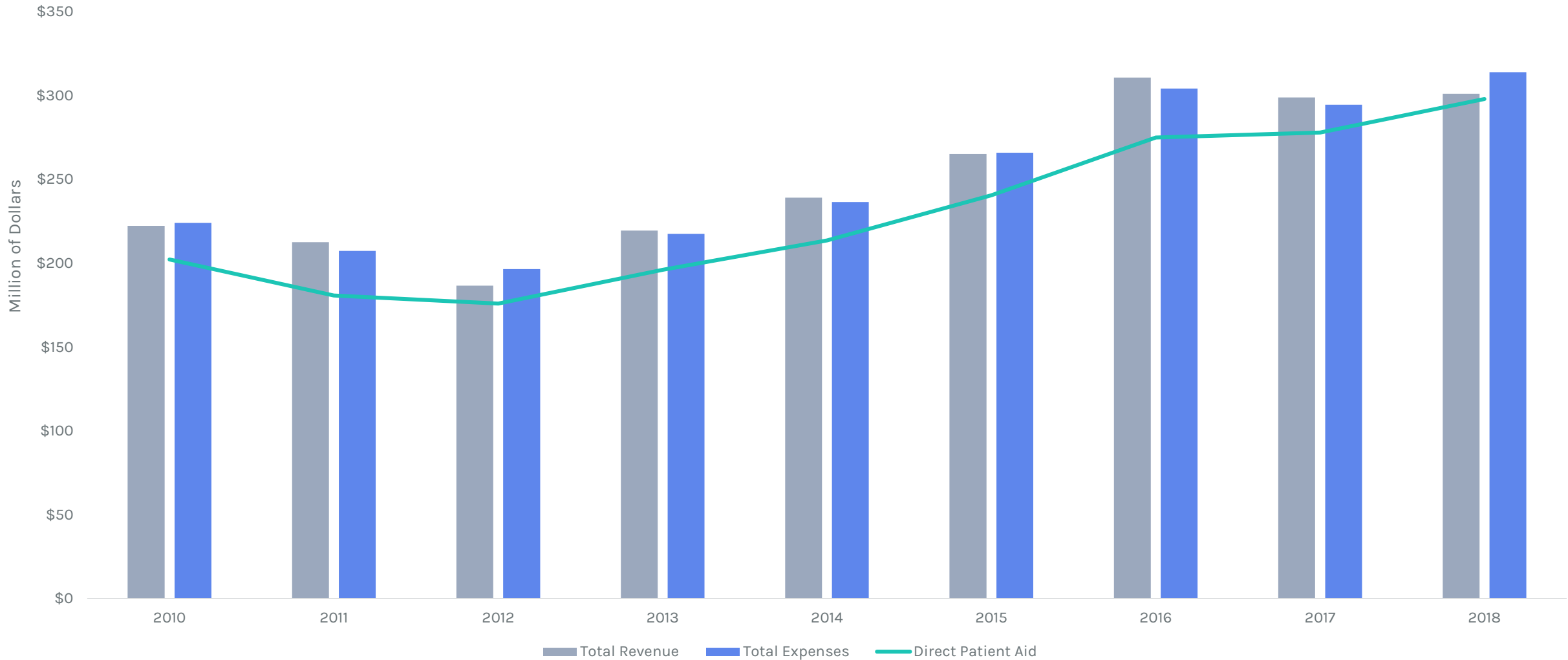
- Change in law does not affect patients receiving AKF reimbursement prior to Oct. 1, 2019
- Grandfather clause is voided if enrollee changes health plan on or after March 1, 2020

OIG Opinion

- Delay designed to allow time for new OIG opinion
- Must be requested by July 1, 2020

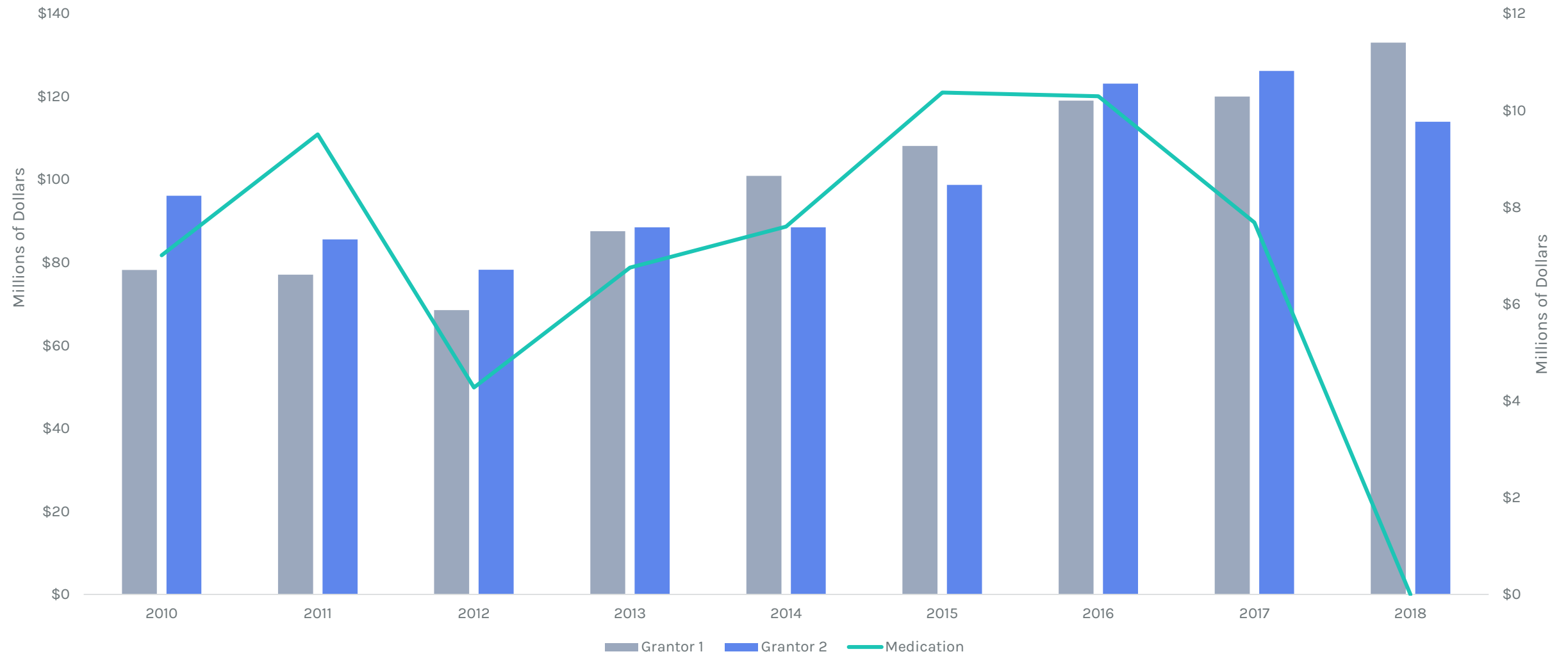
American Kidney Fund

\$297 Million Spent on Direct Patient Aid in 2018



Two Donor Gifts Classified as “Unusual Grants”

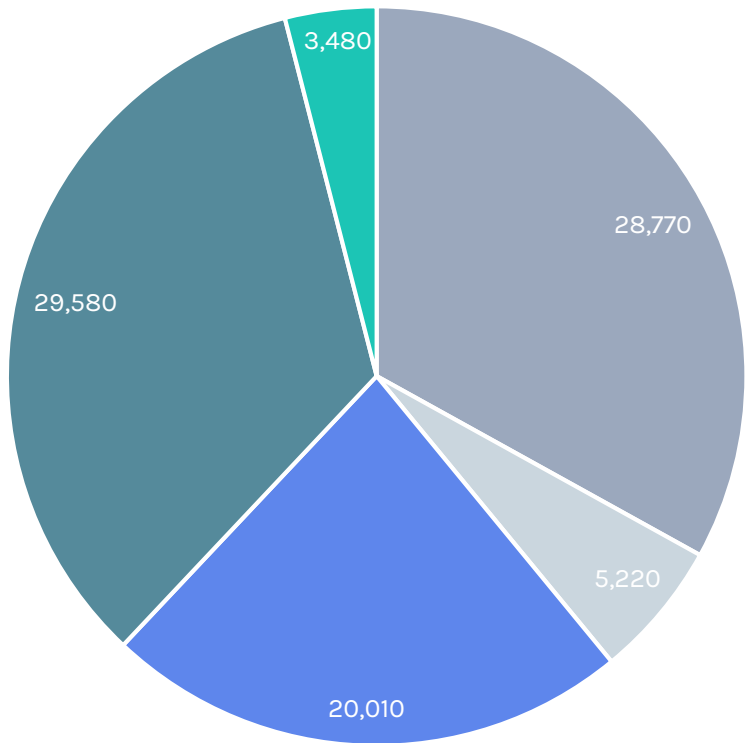
Presumably Davita and FMS; Large In-kind Donations in Medications



AKF Supports Commercial Premiums for 20-33K

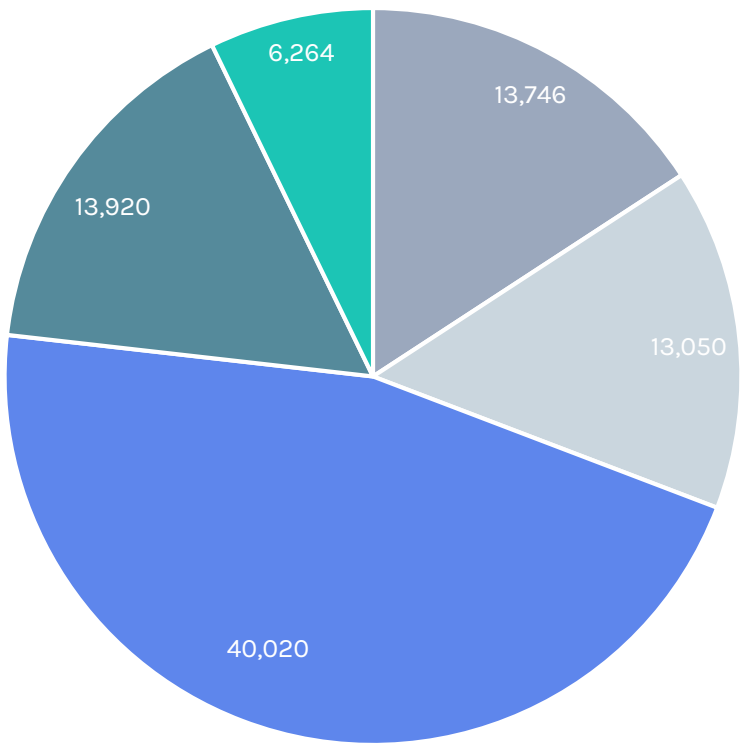
Estimated Based on DVA 2017 and AKF California Disclosure; 18-31% of all Non-Medicare Enrolled

California Legislature



■ Medicare Part B ■ Medicare Advantage ■ MediGap ■ COBRA ■ Other Commercial

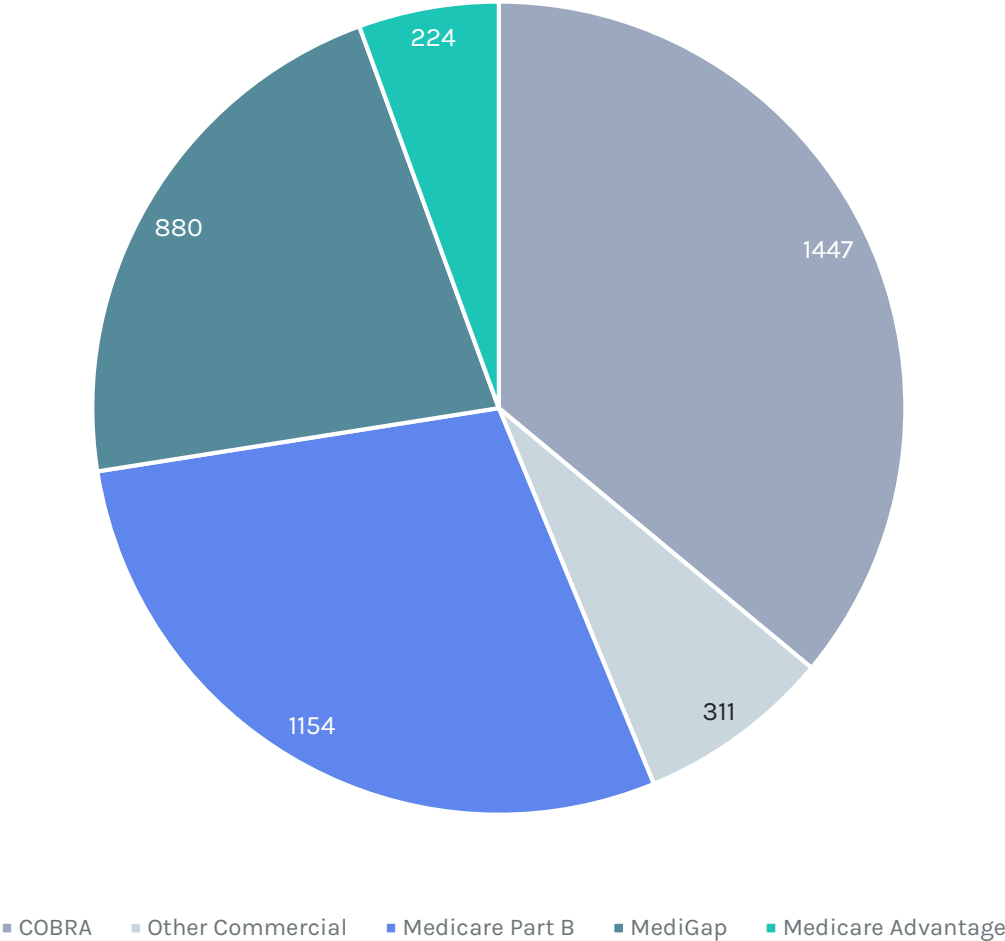
DVA Disclosure



■ Medicare Part B ■ Medicare Advantage ■ MediGap ■ COBRA ■ Other Commercial

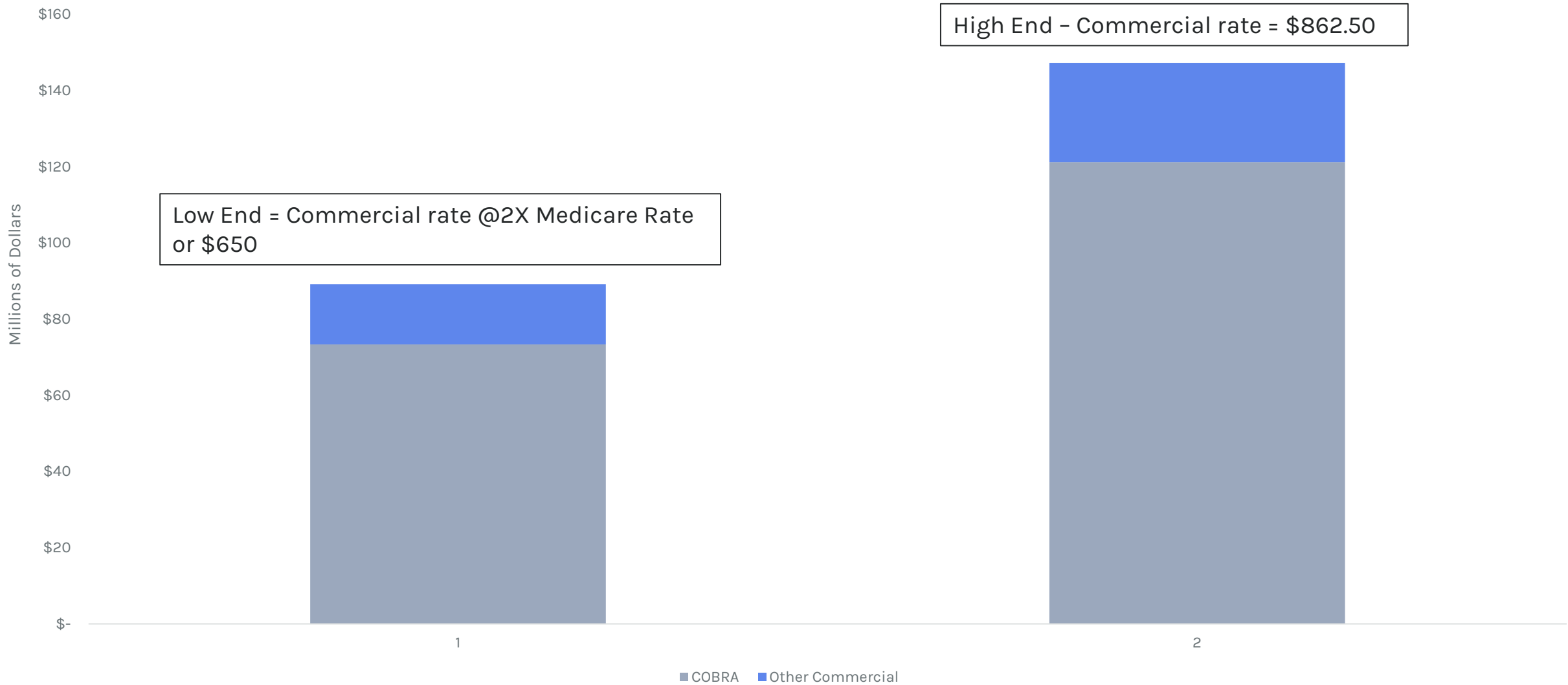
AKF Patient Assistance in California

AB290 Will Effectively End Support for COBRA and Other Commercial



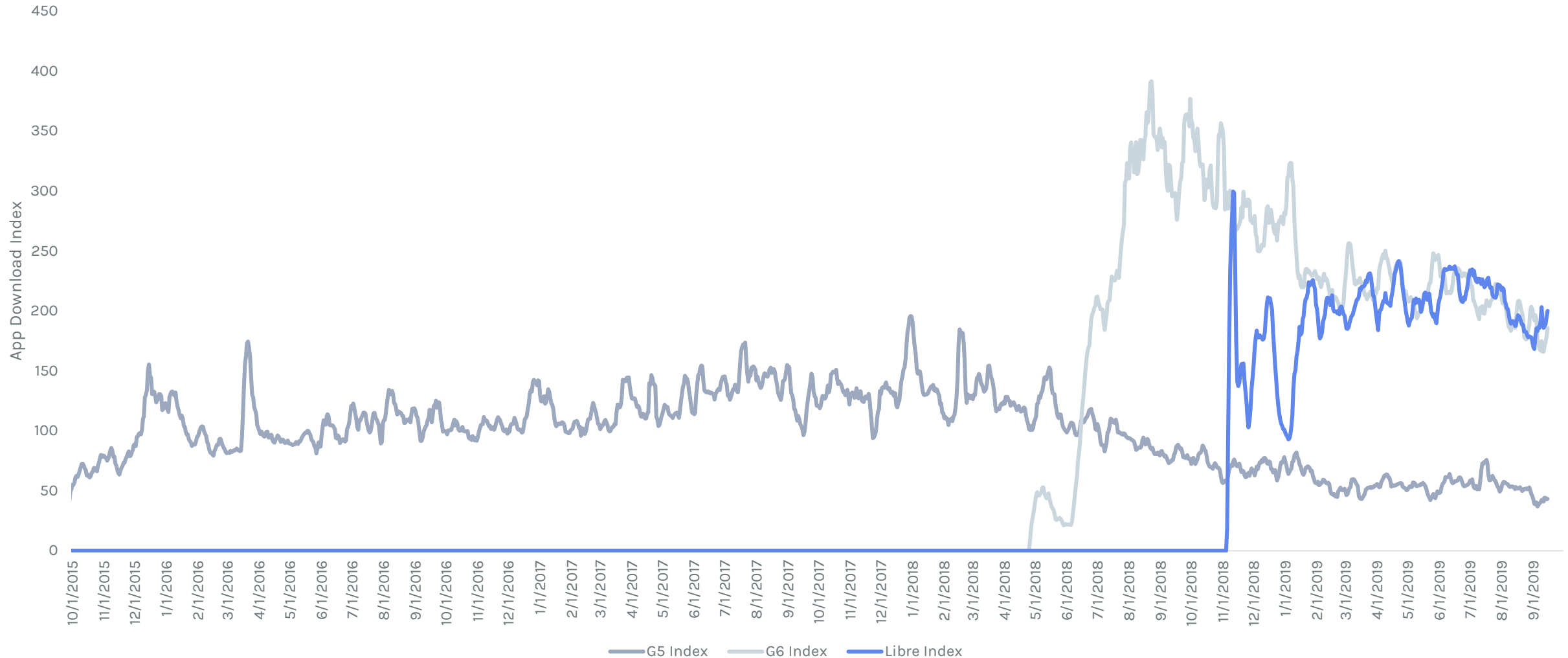
Range of Impacts on End to AKF Support

About 1,700 Commercial



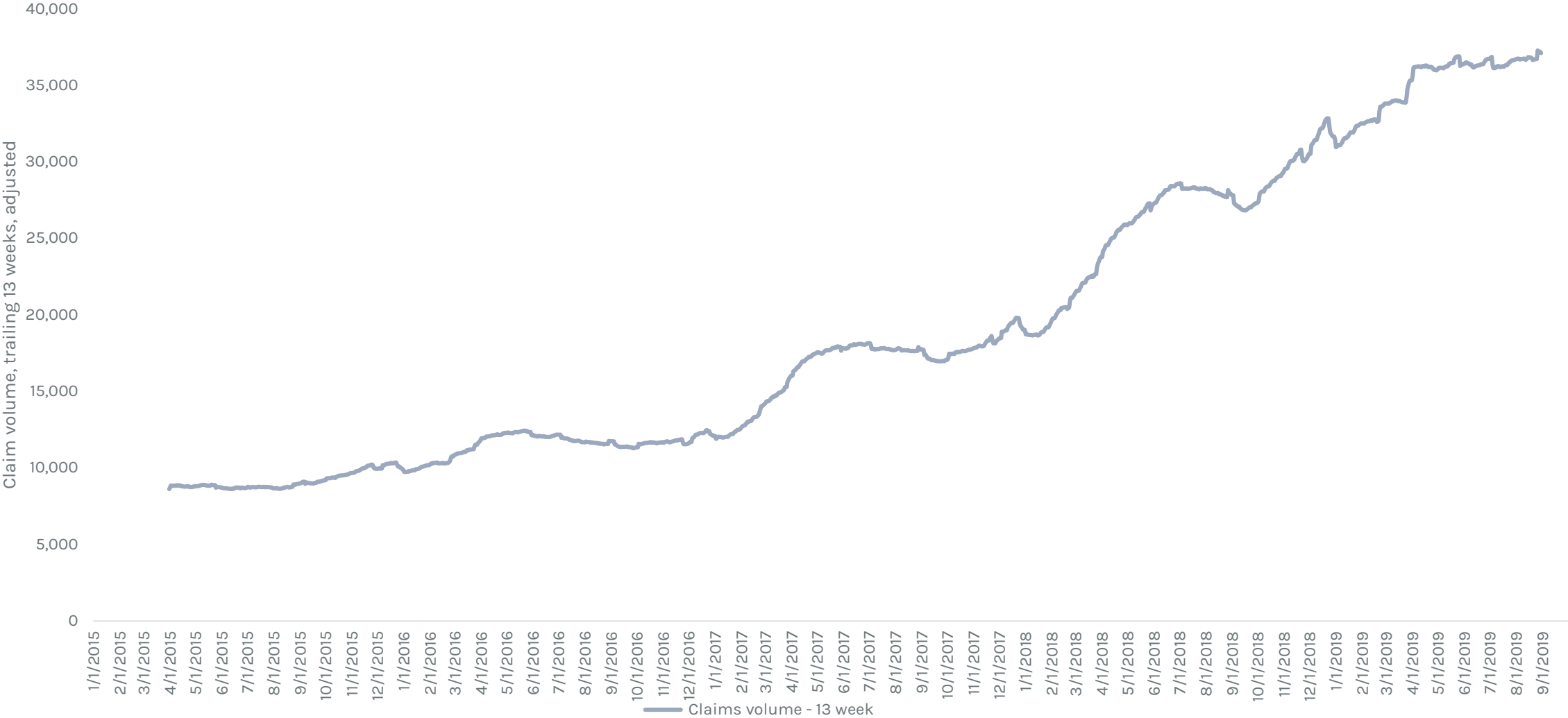
CGM App Download Index

Abbott's Freestyle Libre splitting share with Dexcom's G6, both sequentially lower



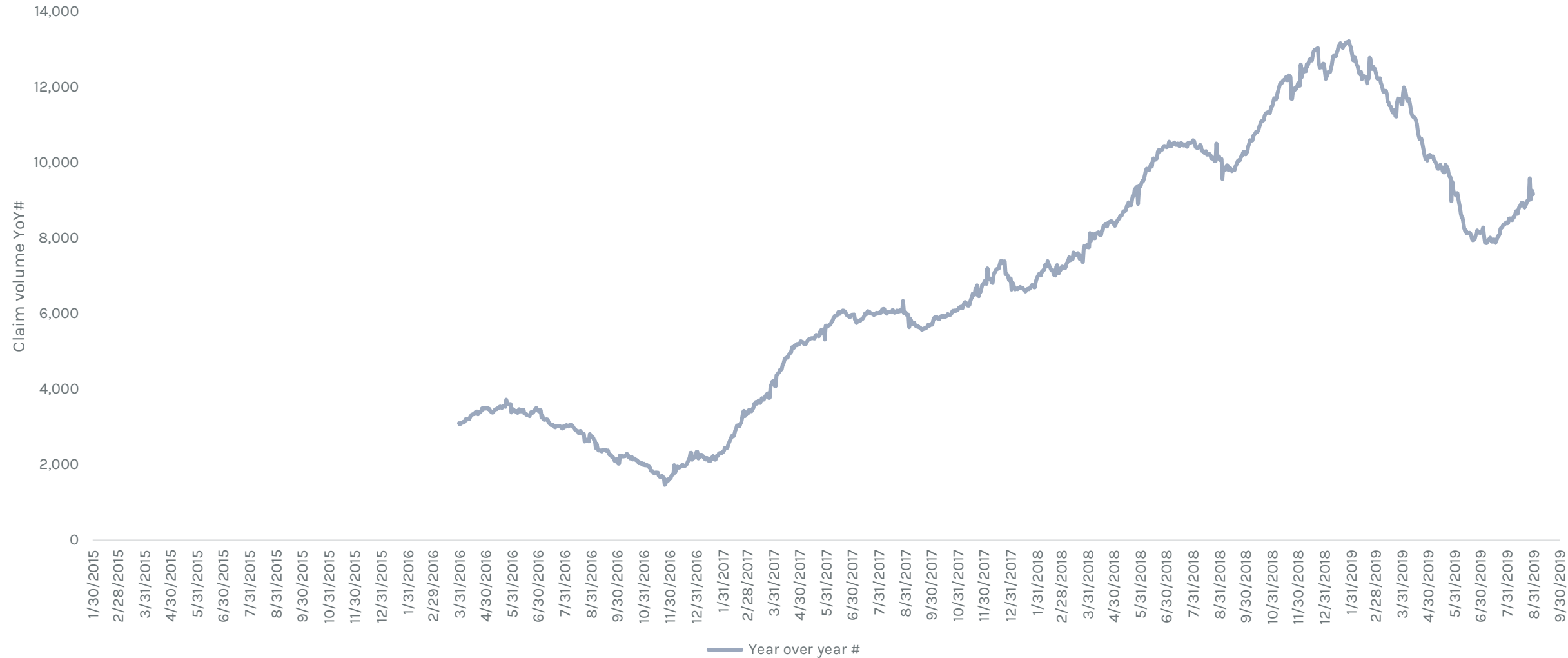
Patient Medical Claims for CGM

Physicians submit claims for CGM data interpretation



Patient Medical Claims Data for CGM

Year over year change slowing with steepening compares through early 2020



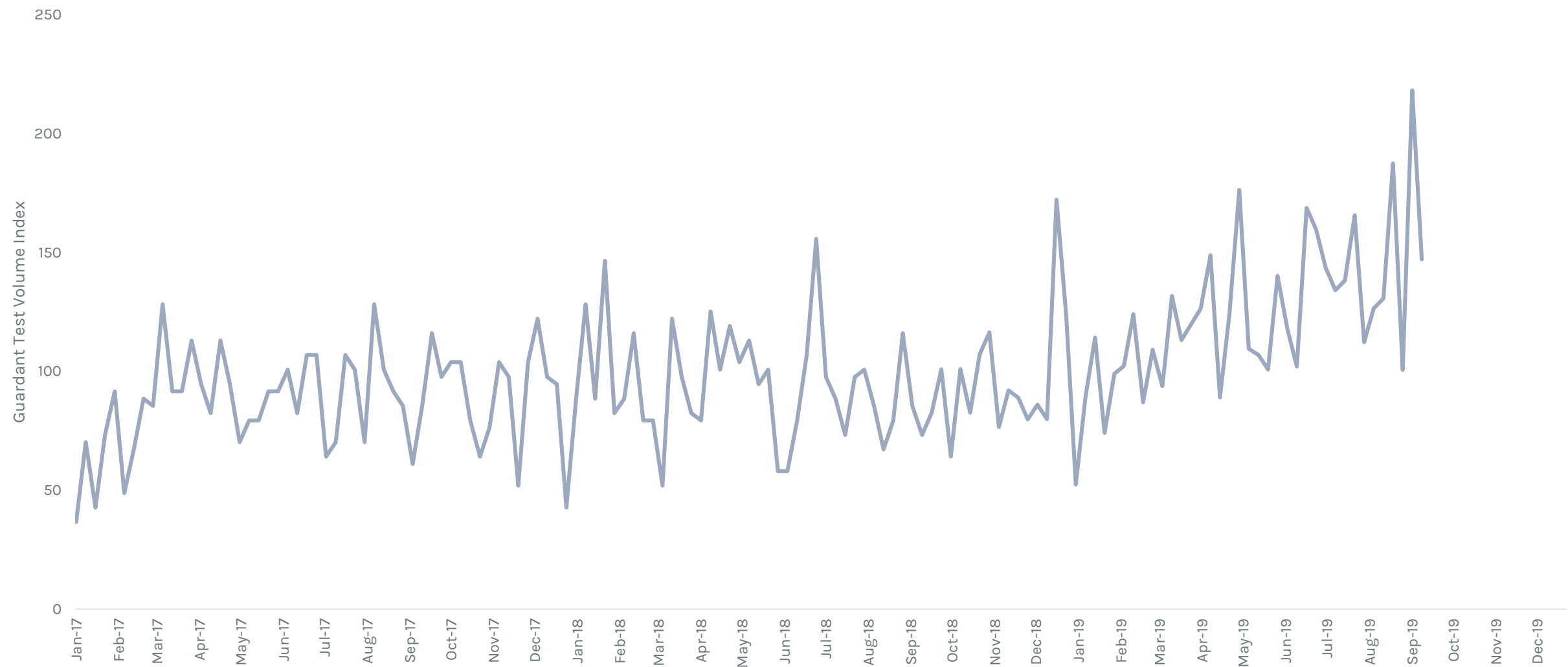
Patient Medical Claims Data for CGM

Regressing claims to revenue



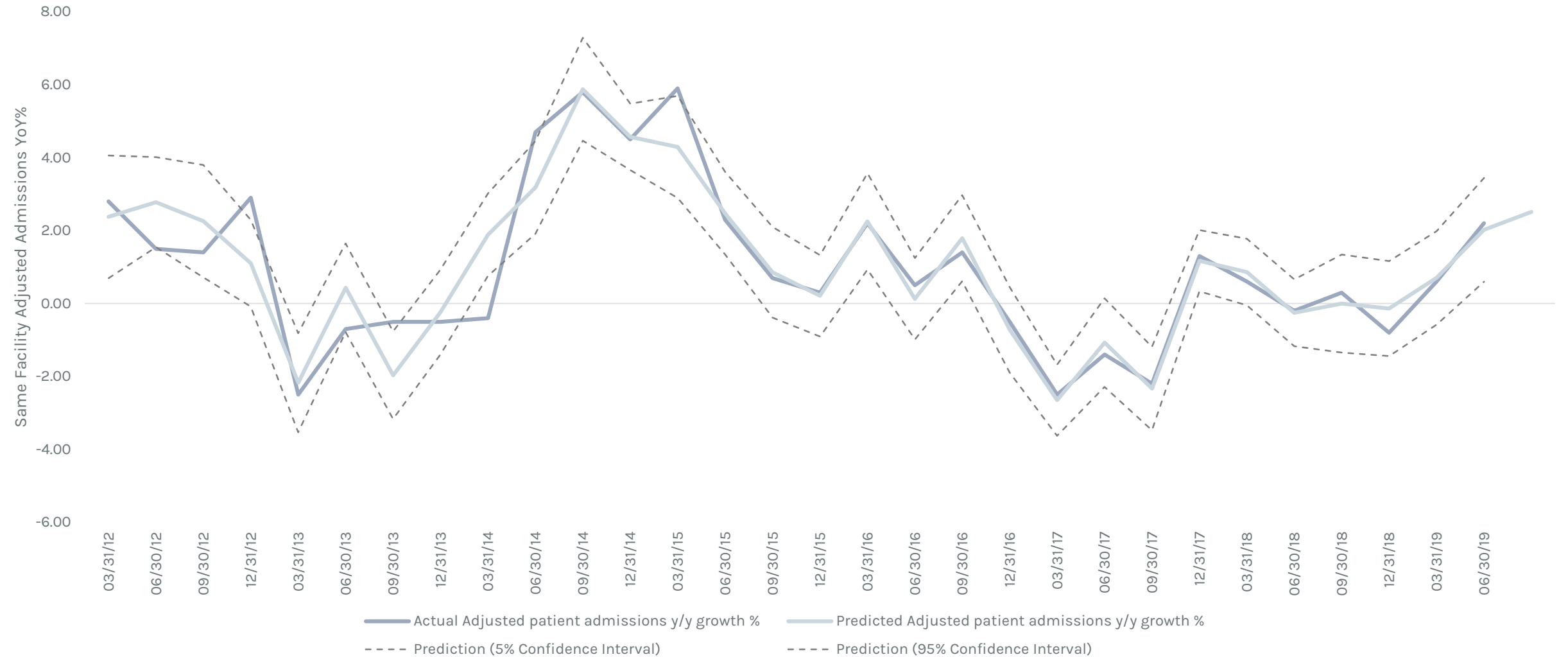
Guardant Test Volume Index

Predominantly lung cancer, positive inflection since NILE study



THC Adjusted Admissions

Guidance is 0-2% for 2019 versus our estimate of 2.5% for 3Q19



For more information, contact us at:

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