

HEALTH CARE Q&A

JUNE 3RD AT 10:00AM ET

DISCLAIMER

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HEALTH CARE POSITION MONITOR

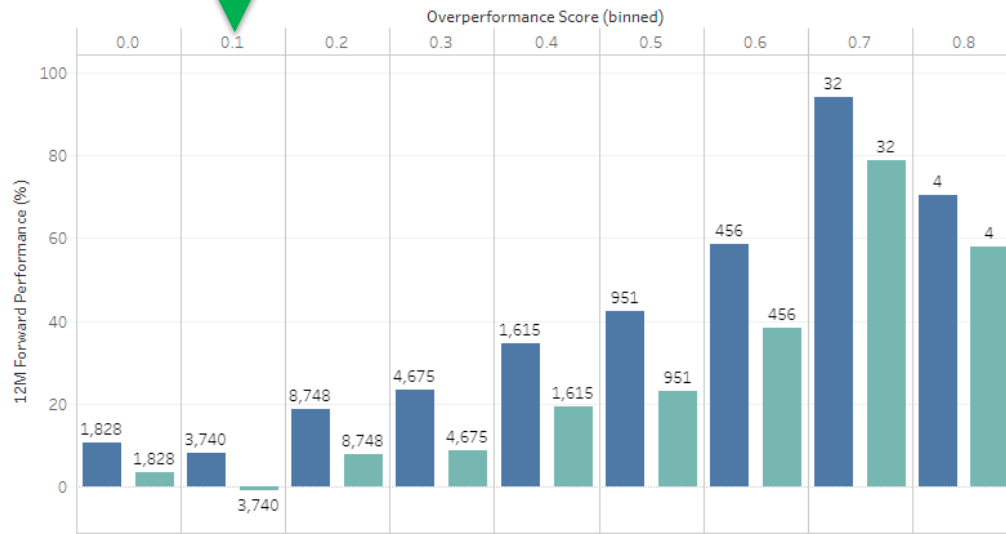
Best Ideas - Longs							Best Ideas - Shorts						
LONG							SHORT						
		Price	Mkt Cap (\$B)	Score	Trend	Tail			Price	Mkt Cap (\$B)	Score	Trend	Tail
Active Longs							Active Shorts						
ANTM	Anthem, Inc.	\$ 277.98	\$71.5B	(14.66)	✓	✓	HQY	HealthEquity Inc	\$ 65.36	\$4.1B	(11.85)	✗	✗
THC	Tenet Healthcare Corporation	\$ 19.96	\$2.1B	(18.36)	✓	✓	DVA	DaVita Inc.	\$ 43.42	\$7.2B	(19.27)	✗	✗
AMN	AMN Healthcare Services, Inc.	\$ 48.44	\$2.3B	0.22	✓	---	UNH	UnitedHealth Group Incorporated	\$ 241.80	\$229.8B	(12.71)	✗	✗
ZBH	Zimmer Biomet Holdings, Inc.	\$ 113.93	\$23.3B	(22.36)	✓	✓	MDRX	Allscripts Healthcare Solutions, Inc.	\$ 9.73	\$1.6B	(7.16)	✗	✗
TDOC	Teladoc Health, Inc.	\$ 58.12	\$4.2B	(46.25)	✓	✓	SYK	Stryker Corporation	\$ 183.24	\$68.4B	(7.59)	✗	✗
							DXCM	DexCom, Inc.	\$ 121.30	\$11.0B	(32.36)	✗	✗
Long Bias							Short Bias						
ILMN	Illumina, Inc.	\$ 306.91	\$45.1B	(13.82)	---	✓	ABBV	AbbVie, Inc.	\$ 76.71	\$113.4B	(9.85)	---	---
HCA	HCA Healthcare Inc	\$ 120.96	\$41.4B	(9.46)	---	✓	MYGN	Myriad Genetics, Inc.	\$ 24.77	\$1.8B	(19.30)	---	---
UHS	Universal Health Services, Inc. Class B	\$ 119.55	\$9.9B	(8.08)	---	✓	EXAS	Exact Sciences Corporation	\$ 103.63	\$13.4B	(20.77)	---	---
MD	MEDNAX, Inc.	\$ 24.66	\$2.1B	(27.60)	---	✓							
DGX	Quest Diagnostics Incorporated	\$ 95.91	\$12.9B	(11.34)	---	✓							
LH	Laboratory Corporation of America Holdings	\$ 162.61	\$16.0B	(11.05)	---	✓							
GWPH	GW Pharmaceuticals PLC Sponsored ADR	\$ 173.24	\$5.3B		---	✓							

Score refers the difference between the Outperformance and Underperformance scoring system as defined by a multi-factor machine learning algorithm

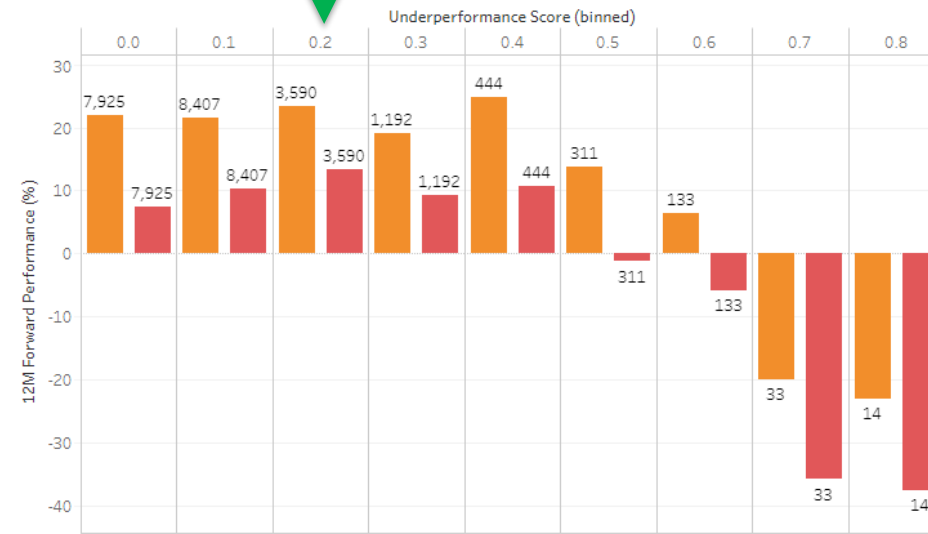
HEALTH CARE SENTIMENT BY MACHINE LEARNING

NEUTRAL → DETERIORATING

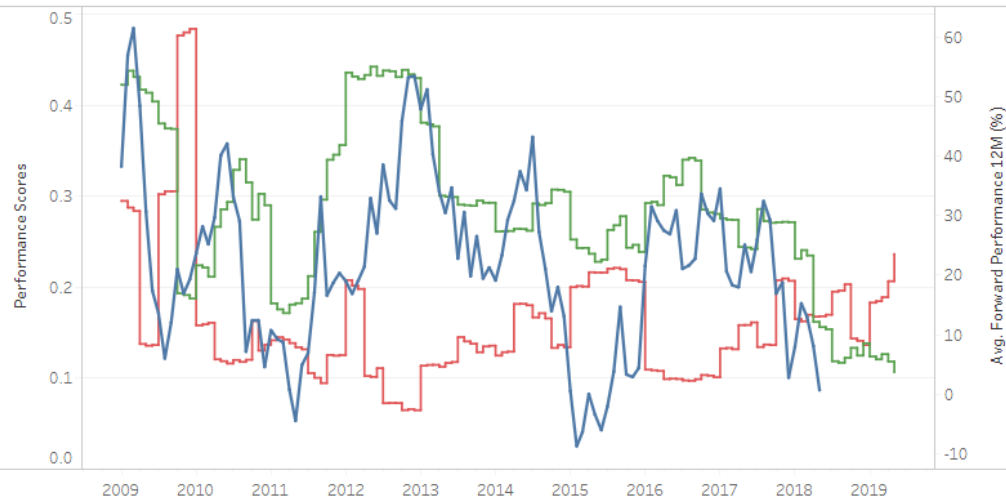
12M Overperformance Buckets



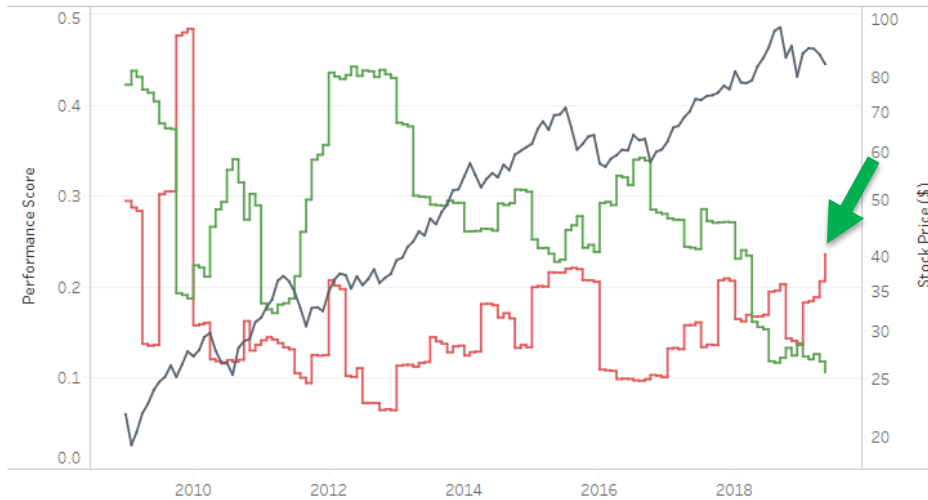
12M Underperformance Buckets



Forward 12M Line

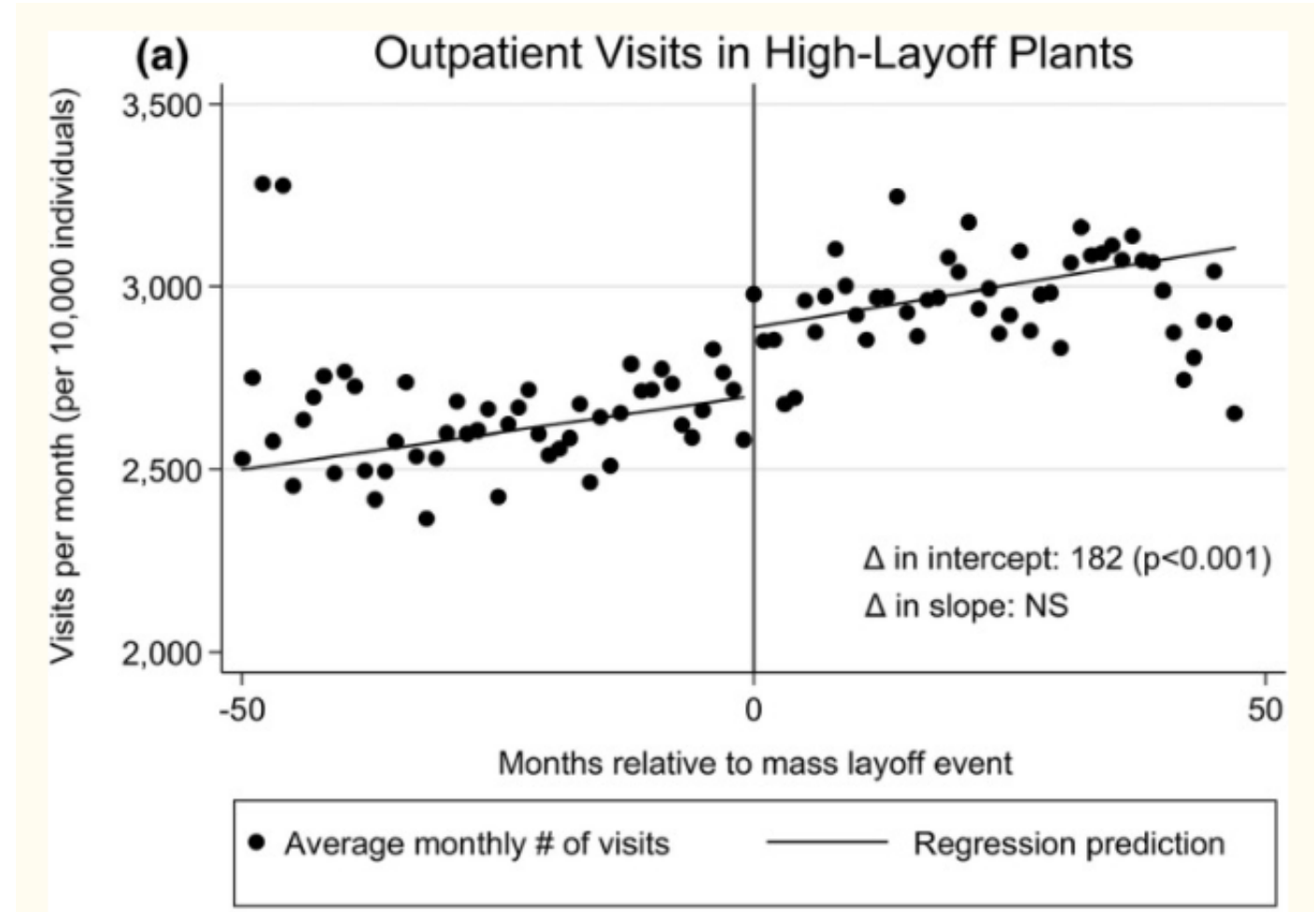


Price Line

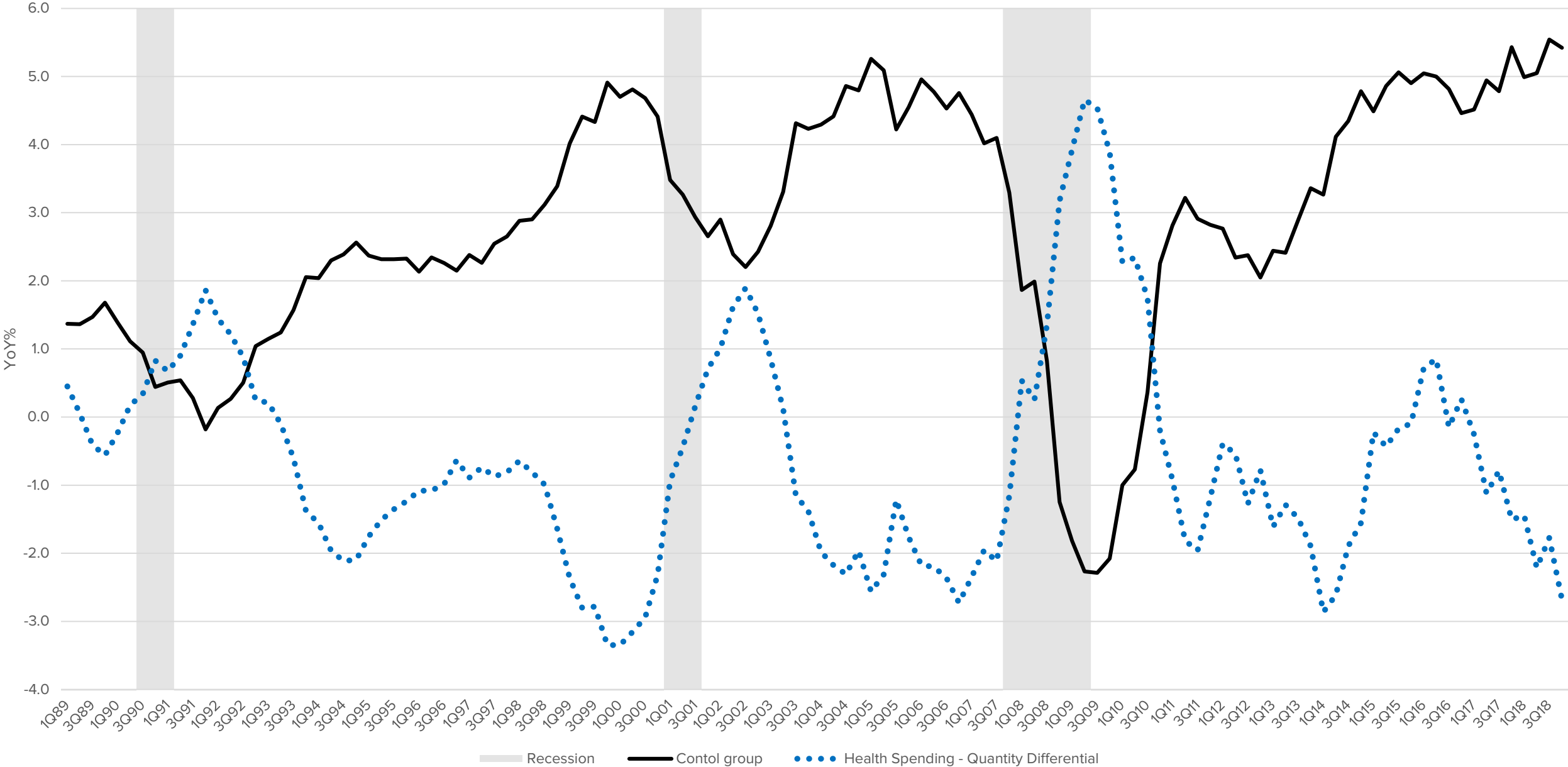


CONSUMER CONFIDENCE IMPACTS MEDICAL SPENDING

“The results are also suggestive of the toll that job insecurity takes on employee physical and mental health”

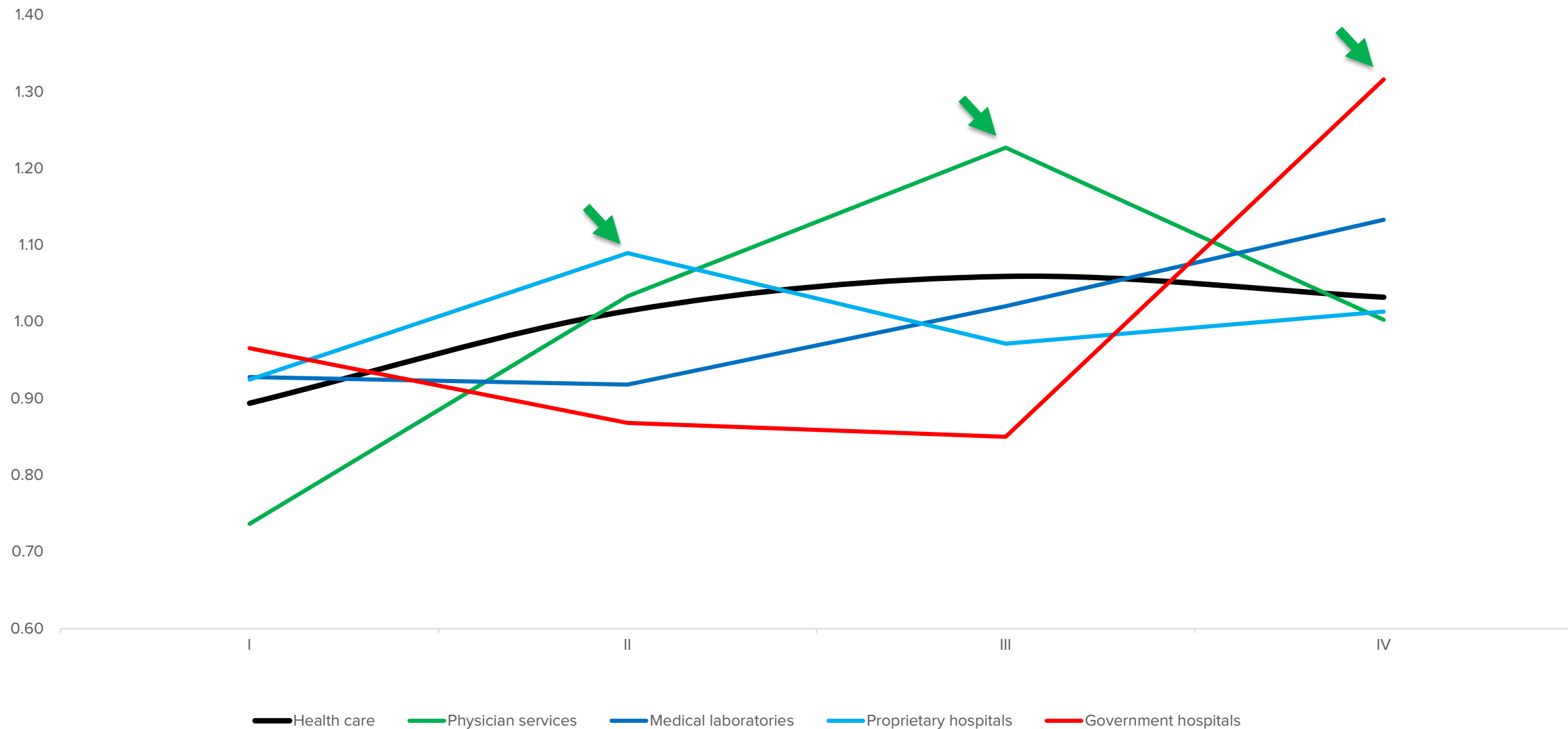


MEDICAL SPENDING VOLUME DIFFERENTIAL



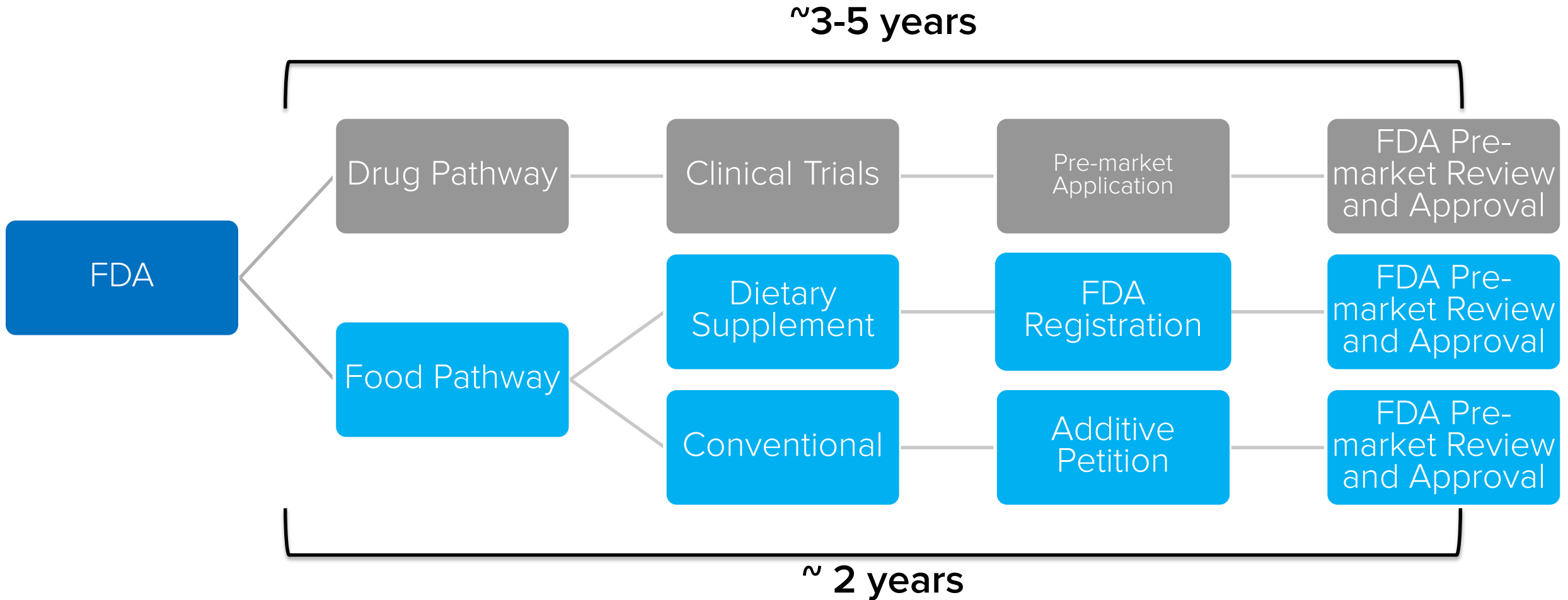
QUAD IMPACT ON HEALTH CARE SUBGROUPS

WHEN ECONOMIC GROWTH SLOWS THE GOVERNMENT PICKS UP THE TAB



FDA APPROVALS ARE A LENGTHY PROCESS

CANNABIS SUBJECT TO FDA AUTHORITY



THERAPEUTIC EVIDENCE IS LIMITED

Conclusive or Substantial

- Chronic pain (cannabis)
- Nausea (CBD)
- MS Spasticity (patient reported) (CBD)
- Seizure disorders (CBD)

Moderate

- Sleep disturbance (CBD/Nabiximols)

Limited

- AIDS Wasting (cannabis and CBD)
- MS Spasticity (clinician reported) (CBD)
- Tourette's (THC)
- Anxiety (CBD)
- PTSD (Nabilone)

THE POLICY CONUNDRUM – IN A NUTSHELL

FORMER CMS ADMINISTRATOR ANDY SLAVITT



Andy Slavitt  @ASlavitt · Jun 1

Decriminalization is one thing; legalization another. One should be guided by justice and fairness, the other by science and research.

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 27

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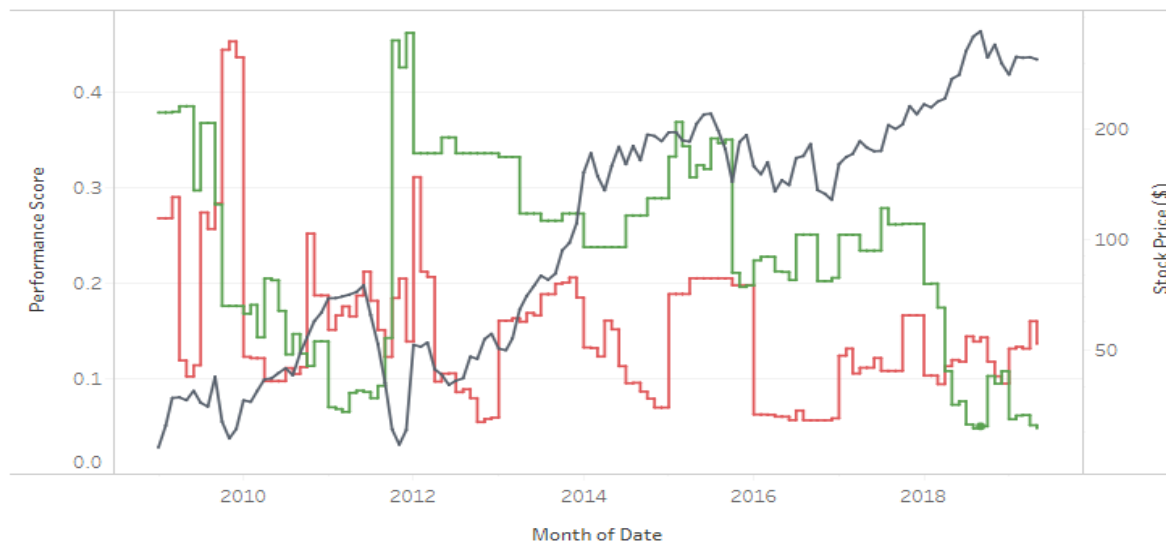


ILMN MOVING OUR HIGHEST PRIORITY

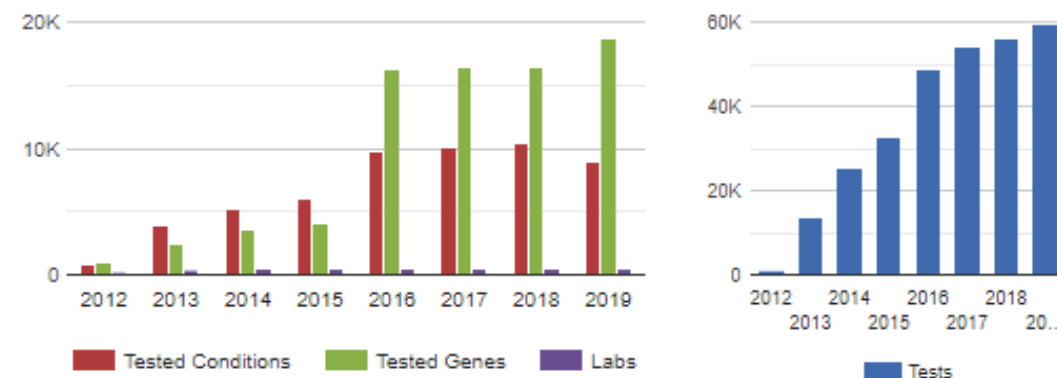
“IN THE NEXT 5 YEARS...”

NPI	Lab Name	2018
1114222817	PROGENITY INC.	696,864
1235363052	ASSUREX HEALTH, INC.	299,257
1518415991	MOUNT SINAI GENOMICS, INC.	281,689
1346479169	COUNSYL, INC.	259,588
1275971707	LABSOLUTIONS LLC	241,216
1558672279	NATERA, INC.	240,918
1508215922	FOUNDATION MEDICINE, INC.	159,916
1013973866	CARIS MPI, INC.	106,502
1487632998	GENEDX, INC.	91,491
1235234402	ENZO CLINICAL LABS, INC.	87,301
1134277494	BIO-REFERENCE LABORATORIES, INC.	82,256
1124438528	ADMERA HEALTH LLC	82,099
1629407069	EXACT SCIENCES LABORATORIES, LLC	76,098
1518983642	BUREAU OF PUBLIC HEALTH LABORATORIES	74,835
1265714091	FOUNDATION MEDICINE, INC.	68,520
1669484473	MYRIAD GENETIC LABORATORIES, INC.	66,376
1366720906	ARIOSIA DIAGNOSTICS, INC.	64,977
1619376316	TRUE HEALTH DIAGNOSTICS, LLC	58,589
1750368700	LABORATORY CORPORATION OF AMERICA HOLDINGS	57,910
1063619922	MATTISON PATHOLOGY, L.L.P.	55,605
1316206220	INVITAE CORPORATION	54,380
1184045619	GUARDANT HEALTH, INC.	50,988
1326484569	NXGEN MDX, LLC	38,846
1215003603	GENOMIC HEALTH INC.	37,106
1932145778	QUEST DIAGNOSTICS INCORPORATED	36,689
1689975021	ESOTERIX GENETIC LABORATORIES, LLC	32,962
1518903350	QUEST DIAGNOSTICS CLINICAL LABORATORIES INC	31,655
1467850859	GENOMIND, INC.	28,064
1538144910	LABORATORY CORPORATION OF AMERICA HOLDINGS	27,937
1740733708	TEMPUS LABS INC.	24,717
1770984239	ABIRA MEDICAL LABORATORIES	22,582
1861568784	AMBRY GENETICS CORPORATION	21,606
1588712020	GENETIC DISEASE SCREENING PROGRAM, STATE OF CA	20,286
1598820235	SHERMAN ABRAMS LABORATORY INC	20,072
1003221904	NATIONAL PREMIER LABORATORIES INC	19,678
1225110497	ACCU REFERENCE MEDICAL LAB, LLC	19,497
1437585262	ALPHA GENOMIX LABORATORIES INC	19,181
1447437355	NEOGENOMICS LABORATORIES INC	17,944

Price Line

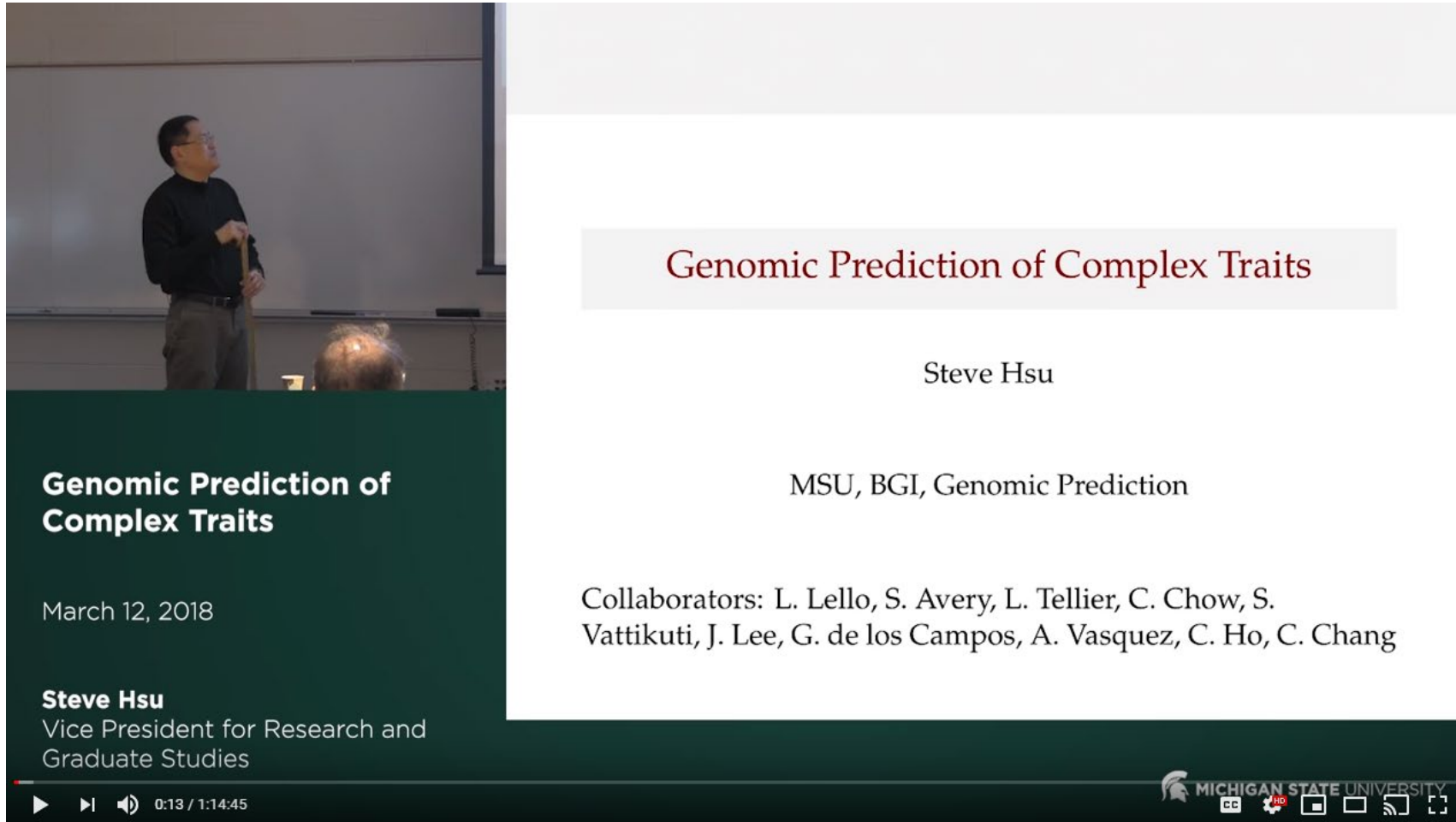


GTR Data



'MISSING HERITABILITY' YIELDING TO ALGORITHMS

“THE SKEPTICS WILL BE CRUSHED”



Genomic Prediction of Complex Traits

Steve Hsu

MSU, BGI, Genomic Prediction

Collaborators: L. Lello, S. Avery, L. Tellier, C. Chow, S. Vattikuti, J. Lee, G. de los Campos, A. Vasquez, C. Ho, C. Chang

Genomic Prediction of Complex Traits

March 12, 2018

Steve Hsu
Vice President for Research and Graduate Studies

0:13 / 1:14:45

MICHIGAN STATE UNIVERSITY

UNH PREFERRED LAB NETWORK JULY 1, 2019

WHO MADE THE LIST, WHO WAS LEFT OFF?

Preferred Lab Network

Frequently Asked Questions

Overview

UnitedHealthcare will launch the Preferred Lab Network on July 1, 2019. The Preferred Lab Network will feature currently contracted laboratory care providers that have met higher standards for access, cost, data, quality and service based upon a rigorous application and review process. We will work with these distinguished labs to continue our efforts to improve the care provider and member experience.

We reached out to 269 independent freestanding participating labs in the UnitedHealthcare network and invited them to apply to join the Preferred Lab Network program. We received 91 completed applications that were assessed against access, cost, data, quality and service criteria. The criteria are proprietary to UnitedHealthcare and, at a minimum, include advanced certifications beyond Clinical Laboratory Improvement Amendments (CLIA), online capabilities and data security requirements.

The following labs were selected to the Preferred Lab Network, effective July 1, 2019:

- AmeriPath
- BioReference Laboratories
- GeneDx
- Invitae
- LabCorp
- Mayo Clinic Laboratory
- Quest Diagnostics, Inc.

Key Points

Effective July 1, 2019, UnitedHealthcare launches the Preferred Lab Network.

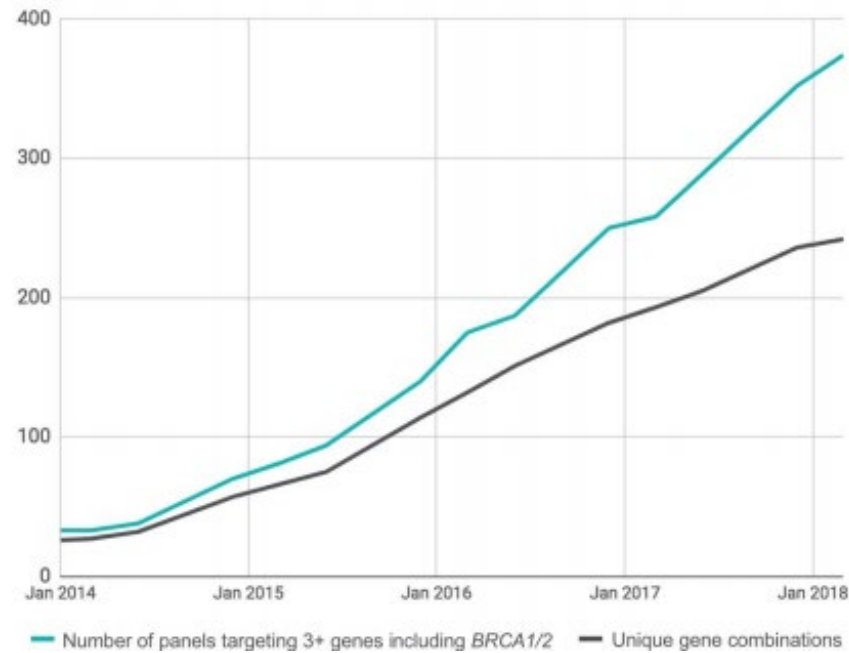
The Preferred Lab Network won't change a member's access to labs or lab services.

Using the Preferred Lab Network may offer additional advantages for UnitedHealthcare members.

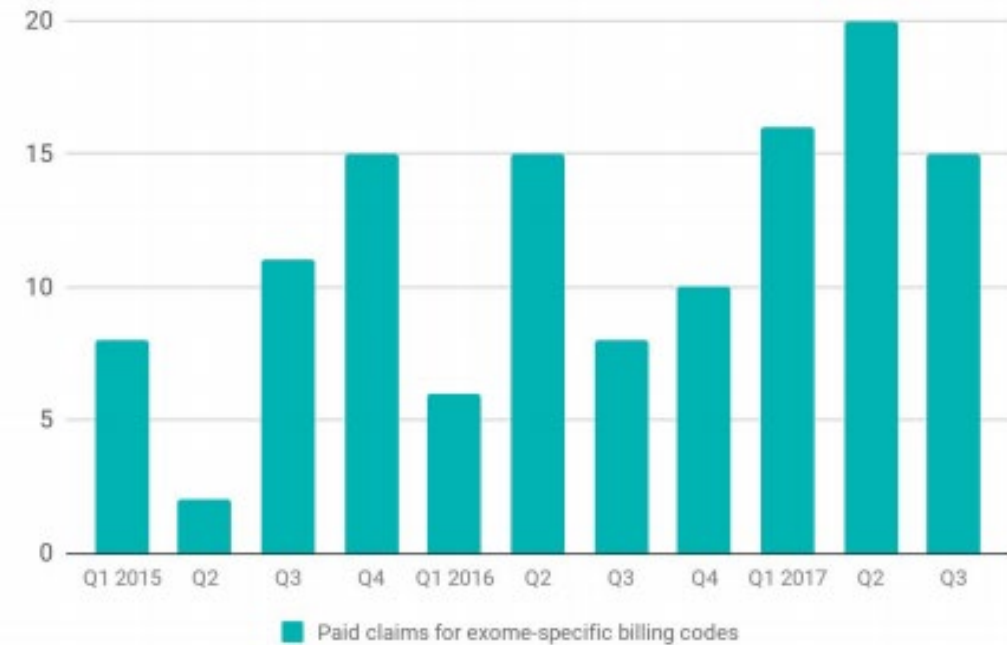
A PAID EXOME CLAIM REMAINS A RARITY

SIGNIFICANT GAPS BETWEEN SUPPLY AND DEMAND

Number and Variety of Multi-Gene Panels Including *BRCA1/2*



The Volume of Exome Sequencing Tests Paid by Commercial Insurance Remains Low



PLEASE SUBMIT QUESTIONS* TO

QA@HEDGEYE.COM

**ANSWERED AT THE END OF THE CALL*