



3 Top Telehealth Stocks to Buy Now

Description

The healthcare sector has been notoriously slow to embrace technology solutions. This is not surprising, as it is primarily reliant on government funding, which comes with considerable red tape. However, the pandemic is forcing the industry to adapt, and business models are changing. Case in point, telehealth and virtual medicine is seeing unprecedented adoption.

After years of dragging their feet, physicians are now adopting this new way of delivering care. So too are governments worldwide. As an example, the Ontario provincial government pushed through billing codes for virtual visits in a matter of weeks after years of inactivity.

How can investors take advantage? Here are three emerging telehealth leaders.

One of the fastest-growing stocks

One of the top **TSX Venture** companies in 2018 and 2019, **WELL Health Technologies** ([TSX:WELL](#)) graduated to the **TSX Index** in the fall of 2019. WELL is a leading [electronic medical records](#) company that also owns and operates a series of medical clinics.

Over the past year, the company has been a leading industry consolidator, and as a result has become the third-largest EMR provider in Canada and the largest OSCAR service provider in the country.

Earlier this year, it launched VirtualClinic+, a virtual care platform that enables physicians to add telehealth consultations via phone or video. It is an industry that is booming, and VirtualClinic+ is seeing rapid adoption. .

The company's performance has been nothing short of staggering. Over the past three years, it has doubled a number of times, returning a total of 1,974% over this period. It has already doubled again in 2020.

A new addition to the TSX Venture

CloudMD Software & Services ([TSXV:DOC](#)) has a business model that is very similar to that of WELL Health Technologies. In early June, it graduated from the **Canadian Stock Exchange** to the TSX Venture and is sitting on gains of 80% thus far in 2020.

The company has a head start on delivering telehealth options for physicians and is an industry pioneer. Its CloudMD virtual medicine flagship product has over [100,000 users](#) on the platform.

CloudMD is also on the approved lender list of some of Canada's largest medical health care associations. Some notable examples include Doctors of BC, Ontario MD and the Canadian Association of Occupational Therapists.

Furthermore, it has aggressive plans to expand in the United States. In May, it signed a deal with IDYA4 which will resell CloudMD's technology south of the border. Through 2022, the company expects to generate \$57 million in revenue, up from \$11.5 million in 2019. This represents a compound annual growth rate of 70%.

An underappreciated telehealth asset

You might be surprised to know that **Telus** ([TSX:T](#))([NYSE:TU](#)) is one of the largest telehealth providers in the country. Telus HEALTH has a suite of software solutions available to pharmacies, physicians, allied health professionals, hospitals and patients.

In mid-2019, Telus HEALTH acquired Akira, an on-demand virtual care solution available to patients nationwide. Akira subscriptions have risen by approximately 80% since the start of the pandemic.

Although the company does not break out Telus HEALTH financials, analysts believe the unit brings in approximately \$800 million in annual revenue. At the moment, Telus HEALTH is buried, and the company is likely not extracting full value for these assets.

Given this, it's possible that Telus spins out the telehealth unit much like it is doing with the International segment later this year.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:TU (TELUS)
2. TSX:T (TELUS)
3. TSX:WELL (WELL Health Technologies Corp.)
4. TSXV:DOC (CloudMD Software & Services Inc.)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Sharewise
6. Yahoo CA

Category

1. Investing
2. Tech Stocks

Date

2025/07/19

Date Created

2020/07/15

Author

mlitalien

default watermark

default watermark