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Why rob Medicare? Cause that’s where the money is!

Today Odyssey Healthcare, Inc. (NASDAQ: ODSY, $20.32) traded at prices 30% below yesterday’s high, despite announcing a 48% increase in net income. Investors in Medicare stocks (or readers of Barron’s Roundtable who were told about the wonderful profit opportunities in Medicare funded hospice companies) are clearly not happy with puny 48% growth.

Odyssey reported it made $31.2 million in net income on just a $6.4 million investment in property and equipment. That equals a 487.5% annual return. There are no publicly-traded organizations in the bank robbery game. So there’s no way of telling how profitable that activity is. But with the cost of get-away cars and burglary tools rising and the average size of a bank branch shrinking, one can only wonder about the number of enterprising bank robbers who are realizing that the easy money ain’t in banks no more but in Medicare.

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