Encompass Health Corp.

EHC

NYSE; healthcare; SIC 8060, Services-Hospitals; CIK 0000785161

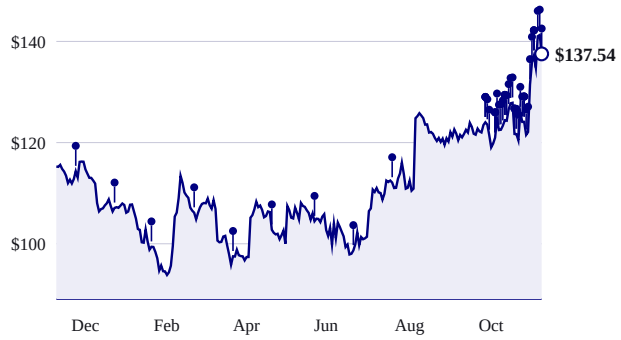
None

No letter

6 of 14 inputs computable; 7 are required, with a score in every sleeve

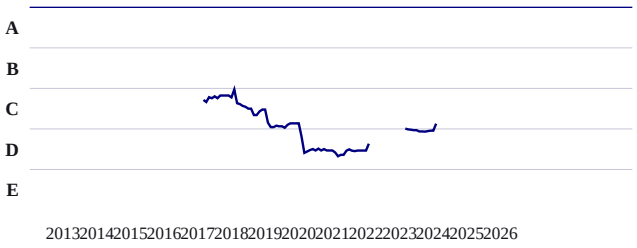
Scoreboard	
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $7.1B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	thin data not computable: distress
Inputs computable	6 of 14
Graded from	filings received through Feb 26, 2026 255 days before the rescan; latest periodic filing 10-Q received Nov 3, 2026
Last close	$137.54 2026-11-06; market equity $13.5B; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Feb 26, 2026

We are the nation's largest owner and operator of inpatient rehabilitation hospitals in terms of patients treated, revenues, and number of hospitals. We provide specialized rehabilitative treatment, using advanced technology and intensive therapy, on an inpatient basis for patients recovering from a major injury or illness and seeking to regain functional ability, independence and quality of life. We operate hospitals in 39 states and Puerto Rico, with concentrations in Florida and Texas. As of December 31, 2025, we operated 173 inpatient rehabilitation hospitals. We are committed to delivering high-quality, cost-effective patient care.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 44.3						
Gross profitability	not computable	32.3%				
one or more required annual facts are missing						
Return on invested capital	not computable	9.3%				

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latest aligned inputs end 2022-12-31; latest annual assets end 2025-12-31						
Accruals ratio	(8.9%)	(6.6%)		44.3	802	2025-12-31
Gross margin stability, five years	not computable	2.8 pts				
five annual gross margins are required; found 0						
Solvency, sleeve percentile 87.8						
Twelve-month failure probability	not computable	0.08%				
latest liabilities, cash plus short-term investments, book equity, and shares are required						
Altman Z double-prime	not computable	(0.37)				
latest aligned inputs end 2022-12-31; latest annual assets end 2025-12-31						
Net debt to EBITDA	not computable	1.82x				
latest aligned inputs end 2022-12-31; latest annual assets end 2025-12-31						
Interest coverage	not computable	(4.51x)				
latest aligned inputs end 2022-12-31; latest annual assets end 2025-12-31						
Current ratio	1.08x	2.94x		87.8	828	2025-12-31
Growth and financing, sleeve percentile 26.8						
Revenue growth, three-year compound	10.9%	10.0%		48.2	412	2025-12-31
Free cash flow growth, three-year compound	46.0%	10.9%		15.8	96	2025-12-31
Reinvestment rate	not computable	37.1%				
latest aligned inputs end 2022-12-31; latest annual assets end 2025-12-31						
Asset growth, three years	7.9%	2.2%		35.0	696	2025-12-31
Net share issuance, one year	(1.3%)	2.5%		8.3	630	2026-02-12

Warnings

1 of 7 checks triggered; none of them enters the letter

Check	Measured
Thin data	6 of 14 grade factors are computable; minimum is 7

What the price implies

at the 2026-11-06 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	7.1%	(2.1%)	55
Distance from 52-week high	(2.6%)	(30.5%)	92
EBIT to enterprise value	3.4%	(1.5%)	69
Free cash flow yield	3.3%	(1.0%)	71
Book value to price	0.20	0.29	39
Sales to price	0.44	0.30	61
Composite equity issuance, five years	(29.7%)	21.4%	3
Relative strength against the sector, log excess return	(0.10)	(0.19)	55

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2025-12-31	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	pass
Long-term leverage fell	pass
Current ratio improved	pass
No new shares issued	pass
Gross margin improved	fail
Asset turnover improved	pass

Cash, filings, liquidity	
Cash and equivalents	$76.2M
Operating cash flow, four quarters	$1.3B
Months of runway	not finite
Days since last periodic filing	5 (10-Q received Nov 3, 2026)
Median daily dollar volume, 63 sessions	$109.0M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	operating income	us-gaap:OperatingIncomeLoss	$539.5M	2022-12-31	2023-02-27	10-K	23-000012
2	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$450.8M	2022-12-31	2025-02-28	10-K	25-000009
3	income tax	us-gaap:IncomeTaxExpenseBenefit	$100.1M	2022-12-31	2025-02-28	10-K	25-000009
4	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	$2.7B	2022-12-31	2024-02-28	10-K	24-000009
5	book equity	us-gaap:StockholdersEquity	$1.3B	2022-12-31	2024-02-28	10-K	24-000009
6	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$21.8M	2022-12-31	2026-02-26	10-K	26-000081
7	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	$3.2B	2021-12-31	2023-02-27	10-K	23-000012
8	book equity	us-gaap:StockholdersEquity	$1.9B	2021-12-31	2023-02-27	10-K	23-000012
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$49.4M	2021-12-31	2025-02-28	10-K	25-000009
10	net income	us-gaap:NetIncomeLoss	$566.2M	2025-12-31	2026-02-26	10-K	26-000081
11	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivitiesC...	$1.2B	2025-12-31	2026-02-26	10-K	26-000081
12	assets	us-gaap:Assets	$7.1B	2025-12-31	2026-02-26	10-K	26-000081
13	assets	us-gaap:Assets	$6.5B	2024-12-31	2026-02-26	10-K	26-000081
14	current assets	us-gaap:AssetsCurrent	$717.2M	2022-12-31	2024-02-28	10-K	24-000009
15	current liabilities	us-gaap:LiabilitiesCurrent	$575.9M	2022-12-31	2024-02-28	10-K	24-000009
16	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$115.7M	2022-12-31	2024-02-28	10-K	24-000009
17	assets	us-gaap:Assets	$5.6B	2022-12-31	2024-02-28	10-K	24-000009
18	liabilities	us-gaap:Liabilities	$3.8B	2022-12-31	2024-02-28	10-K	24-000009
19	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$243.6M	2022-12-31	2025-02-28	10-K	25-000009
20	interest expense	us-gaap:InterestExpense	$175.7M	2022-12-31	2024-02-28	10-K	24-000009
21	current assets	us-gaap:AssetsCurrent	$905.9M	2025-12-31	2026-02-26	10-K	26-000081
22	current liabilities	us-gaap:LiabilitiesCurrent	$836.4M	2025-12-31	2026-02-26	10-K	26-000081
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$5.9B	2025-12-31	2026-02-26	10-K	26-000081
24	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$5.4B	2024-12-31	2026-02-26	10-K	26-000081
25	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$4.8B	2023-12-31	2026-02-26	10-K	26-000081
26	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$4.3B	2022-12-31	2025-02-28	10-K	25-000009
27	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$736.4M	2025-12-31	2026-02-26	10-K	26-000081
28	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivitiesC...	$1.0B	2024-12-31	2026-02-26	10-K	26-000081
29	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$642.5M	2024-12-31	2026-02-26	10-K	26-000081
30	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivitiesC...	$850.8M	2023-12-31	2026-02-26	10-K	26-000081
31	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$583.1M	2023-12-31	2026-02-26	10-K	26-000081
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$705.8M	2022-12-31	2023-02-27	10-K	23-000012
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$564.8M	2022-12-31	2023-02-27	10-K	23-000012
34	current assets	us-gaap:AssetsCurrent	$921.4M	2021-12-31	2023-02-27	10-K	23-000012
35	current liabilities	us-gaap:LiabilitiesCurrent	$748.8M	2021-12-31	2023-02-27	10-K	23-000012
36	assets	us-gaap:Assets	$6.1B	2023-12-31	2025-02-28	10-K	25-000009
37	shares outstanding	dei:EntityCommonStockSharesOutstanding	99,416,162	2026-02-12	2026-02-26	10-K	26-000081
38	shares outstanding	dei:EntityCommonStockSharesOutstanding	100,709,106	2025-02-13	2025-02-28	10-K	25-000009

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