Inspire Medical Systems, Inc. INSP

NYSE; healthcare; SIC 3841, Surgical & Medical Instruments & Apparatus; CIK 0001609550

A

strongest fifth of 305 graded peers in healthcare

rank 2 of 305; percentile 0.3; sampling error 2.8 points; lower is stronger

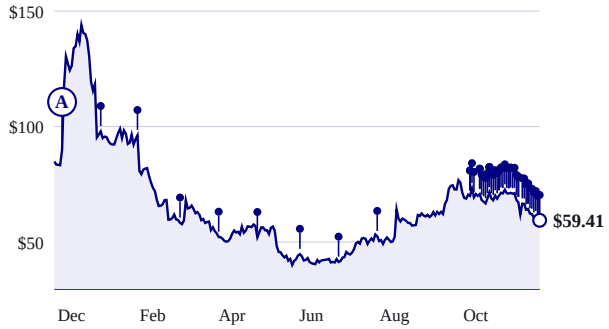
A B C D E

A, the bull



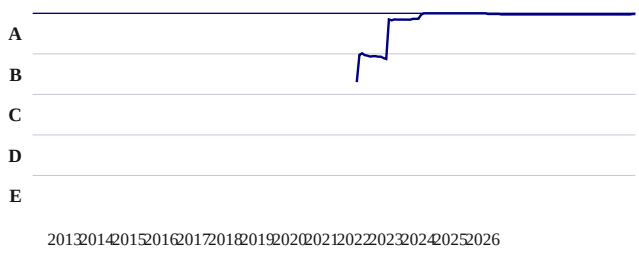
Scoreboard	
Profitability	B percentile 33.1
Solvency	A/B percentile 20.2
Growth and financing	A percentile 12.5
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $907.3M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered; fortress balance sheet
Inputs computable	9 of 13
Graded from	filings received through Feb 13, 2026 278 days before the rescan; latest periodic filing 10-Q received Nov 2, 2026
Last close	$59.39 2026-11-17; market equity $1.7B; 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 13, 2026

We are a medical technology company focused on the development and commercialization of innovative, minimally invasive solutions for patients with obstructive sleep apnea ("OSA"). Our proprietary Inspire system is the first FDA, European Union ("EU") Regulation No. 2017/745 ("MDR" or "EU Medical Devices Regulation"), and Japan Pharmaceuticals and Medical Devices Agency-approved neurostimulation technology of its kind that provides a safe and effective treatment for patients with moderate to severe OSA. We have developed a novel, closed-loop solution that continuously monitors a patient's breathing and delivers mild hypoglossal nerve stimulation to maintain an open airway.

The thirteen 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 33.1						
Gross profitability	85.8%	32.8%		6.1	346	2025-12-31
Return on invested capital	not computable	9.6%				

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pretax income must exceed the validity floor and imply a 0%-100% tax rate						
Accruals ratio	3.3%	(6.7%)		86.8	756	2025-12-31
Gross margin stability, five years	0.7 pts	2.8 pts		6.4	237	2025-12-31
Solvency, sleeve percentile 20.2						
Altman Z double-prime	9.88	0.31		9.1	705	2025-12-31
Net debt to EBITDA	not computable	1.82x				
EBITDA must exceed $100,000						
Interest coverage	not computable	(3.61x)				
interest expense must exceed $100,000						
Current ratio	6.08x	2.68x		31.3	781	2025-12-31
Growth and financing, sleeve percentile 12.5						
Revenue growth, three-year compound	30.8%	9.6%		21.1	400	2025-12-31
Free cash flow growth, three-year compound	216.6%	11.1%		0.0	94	2025-12-31
Reinvestment rate	not computable	33.9%				
pretax income must exceed the validity floor and imply a 0%-100% tax rate						
Asset growth, three years	17.1%	3.2%		23.9	663	2025-12-31
Net share issuance, one year	(3.6%)	1.6%		5.0	625	2026-02-05

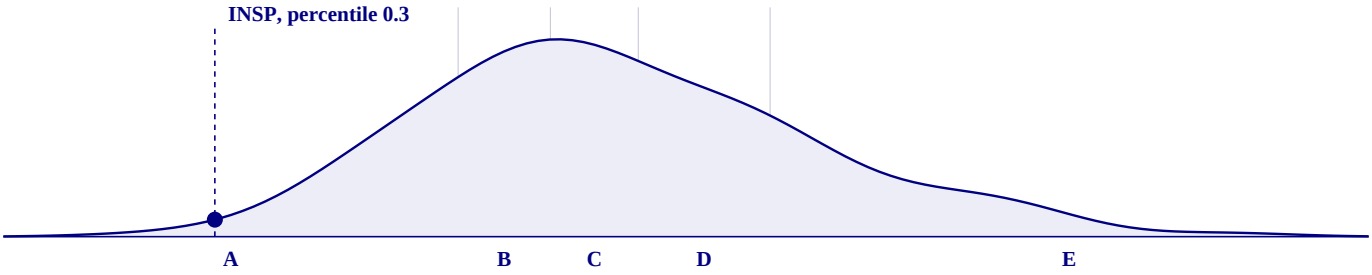
Warnings

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

Check	Measured
Fortress balance sheet	cash minus debt is 189,967,000 USD; Altman Z is not used

Among 305 peers

healthcare; letters are fifths of this list



Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.

Rank	Company	Percentile	Letter	Warnings
1	Delcath Systems, Inc. (DCTH)	0.0	A	fortress balance sheet
2	Inspire Medical Systems, Inc. (INSP)	0.3	A	fortress balance sheet
3	Kiniksa Pharmaceuticals International, plc (KNSA)	0.7	A	
4	Mimedx Group, Inc. (MDXG)	1.0	A	fortress balance sheet
5	BeOne Medicines Ltd. (ONC)	1.3	A	fortress balance sheet
6	Progyny, Inc. (PGNY)	1.6	A	
7	Harmony Biosciences Holdings, Inc. (HRMY)	2.0	A	fortress balance sheet

What the price implies

at the 2026-11-17 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(3.8%)	(1.7%)	48
Distance from 52-week high	(58.7%)	(30.5%)	25
EBIT to enterprise value	3.3%	0.5%	64
Free cash flow yield	4.6%	0.5%	77
Book value to price	0.48	0.28	64

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Sales to price	0.53	0.36	62
Composite equity issuance, five years	6.6%	13.5%	41
Relative strength against the sector, log excess return	(0.21)	(0.19)	48
Twelve-month failure probability, CHS model	0.02%	0.06%	14

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	fail
Long-term leverage fell	fail
Current ratio improved	fail
No new shares issued	pass
Gross margin improved	pass
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	$190.8M
Operating cash flow, four quarters	$135.0M
Months of runway	not finite
Days since last periodic filing	16 (10-Q received Nov 2, 2026)
Median daily dollar volume, 63 sessions	$43.6M

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	gross profit	us-gaap:GrossProfit	$778.8M	2025-12-31	2026-02-13	10-K	26-000016
2	assets	us-gaap:Assets	$907.3M	2025-12-31	2026-02-13	10-K	26-000016
3	operating income	us-gaap:OperatingIncomeLoss	-$39.9M	2021-12-31	2024-02-09	10-K	24-000016
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$42.0M	2021-12-31	2024-02-09	10-K	24-000016
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$72,000	2021-12-31	2024-02-09	10-K	24-000016
6	total debt	us-gaap:LongTermDebt	$24.5M	2021-12-31	2022-02-15	10-K	22-000014
7	book equity	us-gaap:StockholdersEquity	$229.0M	2021-12-31	2025-02-10	10-K	25-000011
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$214.5M	2021-12-31	2023-02-10	10-K	23-000024
9	total debt	us-gaap:LongTermDebt	$24.5M	2020-12-31	2021-02-24	10-K	21-000010
10	book equity	us-gaap:StockholdersEquity	$229.7M	2020-12-31	2024-02-09	10-K	24-000016
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$190.5M	2020-12-31	2022-02-15	10-K	22-000014
12	net income	us-gaap:NetIncomeLoss	$145.4M	2025-12-31	2026-02-13	10-K	26-000016
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$117.0M	2025-12-31	2026-02-13	10-K	26-000016
14	assets	us-gaap:Assets	$808.4M	2024-12-31	2026-02-13	10-K	26-000016
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$912.0M	2025-12-31	2026-02-13	10-K	26-000016
16	gross profit	us-gaap:GrossProfit	$679.8M	2024-12-31	2026-02-13	10-K	26-000016
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$802.8M	2024-12-31	2026-02-13	10-K	26-000016
18	gross profit	us-gaap:GrossProfit	$528.2M	2023-12-31	2026-02-13	10-K	26-000016
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$624.8M	2023-12-31	2026-02-13	10-K	26-000016
20	gross profit	us-gaap:GrossProfit	$341.7M	2022-12-31	2025-02-10	10-K	25-000011
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$407.9M	2022-12-31	2025-02-10	10-K	25-000011
22	gross profit	us-gaap:GrossProfit	$200.1M	2021-12-31	2024-02-09	10-K	24-000016
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$233.4M	2021-12-31	2024-02-09	10-K	24-000016
24	current assets	us-gaap:AssetsCurrent	$583.7M	2025-12-31	2026-02-13	10-K	26-000016
25	current liabilities	us-gaap:LiabilitiesCurrent	$96.1M	2025-12-31	2026-02-13	10-K	26-000016
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$146.5M	2025-12-31	2026-02-13	10-K	26-000016

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27	operating income	us-gaap:OperatingIncomeLoss	$51.0M	2025-12-31	2026-02-13	10-K	26-000016
28	book equity	us-gaap:StockholdersEquity	$781.2M	2025-12-31	2026-02-13	10-K	26-000016
29	liabilities	us-gaap:Liabilities	$126.2M	2025-12-31	2026-02-13	10-K	26-000016
30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$1.2M	2021-12-31	2024-02-09	10-K	24-000016
31	operating income	us-gaap:OperatingIncomeLoss	-$40.3M	2023-12-31	2026-02-13	10-K	26-000016
32	interest expense	us-gaap:InterestExpense	$0	2023-12-31	2024-02-09	10-K	24-000016
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$38.5M	2025-12-31	2026-02-13	10-K	26-000016
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$130.2M	2024-12-31	2026-02-13	10-K	26-000016
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$39.1M	2024-12-31	2026-02-13	10-K	26-000016
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$24.7M	2023-12-31	2026-02-13	10-K	26-000016
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$23.6M	2023-12-31	2026-02-13	10-K	26-000016
38	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$11.6M	2022-12-31	2025-02-10	10-K	25-000011
39	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$9.1M	2022-12-31	2025-02-10	10-K	25-000011
40	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$14.0M	2025-12-31	2026-02-13	10-K	26-000016
41	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$65.7M	2025-12-31	2026-02-13	10-K	26-000016
42	income tax	us-gaap:IncomeTaxExpenseBenefit	-$79.7M	2025-12-31	2026-02-13	10-K	26-000016
43	current assets	us-gaap:AssetsCurrent	$630.8M	2024-12-31	2026-02-13	10-K	26-000016
44	current liabilities	us-gaap:LiabilitiesCurrent	$88.5M	2024-12-31	2026-02-13	10-K	26-000016
45	assets	us-gaap:Assets	$676.8M	2023-12-31	2025-02-10	10-K	25-000011
46	assets	us-gaap:Assets	$564.9M	2022-12-31	2024-02-09	10-K	24-000016
47	shares outstanding	dei:EntityCommonStockSharesOutstanding	28,589,291	2026-02-05	2026-02-13	10-K	26-000016
48	shares outstanding	dei:EntityCommonStockSharesOutstanding	29,669,407	2025-02-03	2025-02-10	10-K	25-000011

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