UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2023

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from
to

Commission File Number: 001-37477

TELADOC HEALTH, INC.

(Exact name of registrant as specified in its charter)

Delaware	**04-3705970**
(State of incorporation)	(I.R.S. Employer Identification No.)
2 Manhattanville Road, Suite 203	
Purchase, New York	**10577**
(Address of principal executive office)	(Zip code)

(203) 635-2002
(Registrant's telephone number including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	TDOC	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐						

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 24, 2023, the Registrant had 164,952,114 shares of Common Stock outstanding.

TELADOC HEALTH, INC.

QUARTERLY REPORT ON FORM 10-Q
For the period ended June 30, 2023

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PART I
FINANCIAL INFORMATION

ITEM 1. ***Financial Statements***

TELADOC HEALTH, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data, unaudited)

	June 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 958,695	$ 918,182
Accounts receivable, net of allowance for doubtful accounts of $8,050 and $4,324, respectively	215,181	210,554
Inventories	34,054	56,342
Prepaid expenses and other current assets	113,034	130,310
Total current assets	1,320,964	1,315,388
Property and equipment, net	30,392	29,641
Goodwill	1,073,190	1,073,190
Intangible assets, net	1,784,105	1,836,765
Operating lease - right-of-use assets	34,824	41,831
Other assets	72,930	48,540
Total assets	$ 4,316,405	$ 4,345,355
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 16,071	$ 47,690
Accrued expenses and other current liabilities	192,937	168,693
Accrued compensation	67,001	81,554
Deferred revenue-current	107,385	101,832
Total current liabilities	383,394	399,769
Other liabilities	1,740	1,618
Operating lease liabilities, net of current portion	36,809	38,042
Deferred revenue, net of current portion	14,240	11,954
Deferred taxes, net	48,097	50,939
Convertible senior notes, net	1,536,981	1,535,288
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Common stock, $0.001 par value; 300,000,000 shares authorized; 164,877,180 shares and 162,840,360 shares issued and outstanding as of June 30, 2023 and December 31, 2022, respectively	165	163
Additional paid-in capital	17,476,451	17,358,645
Accumulated deficit	(15,142,692)	(15,008,287)
Accumulated other comprehensive loss	(38,780)	(42,776)
Total stockholders' equity	2,295,144	2,307,745
Total liabilities and stockholders' equity	$ 4,316,405	$ 4,345,355

See accompanying notes to unaudited condensed consolidated financial statements.

TELADOC HEALTH, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(In thousands, except share and per share data, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenue	$ 652,406	$ 592,379	$ 1,281,650	$ 1,157,729
Expenses:				
Cost of revenue (exclusive of depreciation and amortization, which is shown separately below)	190,540	182,470	380,647	369,495
Operating expenses:				
Advertising and marketing	178,756	164,574	355,546	298,174
Sales	53,530	57,930	108,020	116,259
Technology and development	87,309	78,696	174,294	166,108
General and administrative	125,841	112,998	239,986	217,921
Acquisition, integration, and transformation costs	5,080	2,892	11,024	7,399
Restructuring costs	7,530	0	15,632	0
Depreciation and amortization	75,465	59,371	145,248	118,304
Goodwill impairment	0	3,030,000	0	9,630,000
Total expenses	724,051	3,688,931	1,430,397	10,923,660
Loss from operations	(71,645)	(3,096,552)	(148,747)	(9,765,931)
Interest income	(11,558)	(1,225)	(20,469)	(1,389)
Interest expense	5,835	5,562	11,098	11,206
Other expense (income), net	207	1,760	(4,700)	1,036
Loss before provision for income taxes	(66,129)	(3,102,649)	(134,676)	(9,776,784)
Provision for income taxes	(952)	(1,188)	(271)	(800)
Net loss	(65,177)	(3,101,461)	(134,405)	(9,775,984)
Other comprehensive income (loss), net of tax:				
Currency translation adjustment and other	2,217	(18,440)	3,996	(23,579)
Comprehensive loss	$ (62,960)	$ (3,119,901)	$ (130,409)	$ (9,799,563)
Net loss per share, basic and diluted	$ (0.40)	$ (19.22)	$ (0.82)	$ (60.72)
Weighted-average shares used to compute basic and diluted net loss per share	164,171,372	161,377,695	163,550,481	161,002,075

See accompanying notes to unaudited condensed consolidated financial statements.

TELADOC HEALTH, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share data, unaudited)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Gain (Loss)	Total Stockholders' Equity
	Shares	Amount				
Balance as of March 31, 2023	163,919,394	$ 164	$ 17,409,574	$ (15,077,515)	$ (40,997)	$ 2,291,226
Exercise of stock options	49,906	0	381	0	0	381
Issuance of common stock upon vesting of restricted stock units	636,144	1	(1)	0	0	0
Issuance of stock under employee stock purchase plan	271,736	0	5,790	0	0	5,790
Stock-based compensation	0	0	60,707	0	0	60,707
Other comprehensive income, net of tax	0	0	0	0	2,217	2,217
Net loss	0	0	0	(65,177)	0	(65,177)
Balances as of June 30, 2023	164,877,180	$ 165	$ 17,476,451	$ (15,142,692)	$ (38,780)	$ 2,295,144
Balance as of December 31, 2022	162,840,360	$ 163	$ 17,358,645	$ (15,008,287)	$ (42,776)	$ 2,307,745
Exercise of stock options	78,033	0	677	0	0	677
Issuance of common stock upon vesting of restricted stock units	1,687,051	2	(2)	0	0	0
Issuance of stock under employee stock purchase plan	271,736	0	5,790	0	0	5,790
Stock-based compensation	0	0	111,341	0	0	111,341
Other comprehensive income, net of tax	0	0	0	0	3,996	3,996
Net loss	0	0	0	(134,405)	0	(134,405)
Balance as of June 30, 2023	164,877,180	$ 165	$ 17,476,451	$ (15,142,692)	$ (38,780)	$ 2,295,144
Balance as of March 31, 2022	161,434,513	$ 161	$ 17,177,152	$ (8,023,279)	$ (11,424)	$ 9,142,610
Exercise of stock options	159,775	1	1,394	0	0	1,395
Issuance of common stock upon vesting of restricted stock units	149,018	0	0	0	0	0
Issuance of stock under employee stock purchase plan	148,609	0	4,225	0	0	4,225
Issuance of common stock for 2025 Notes	93	0	7	0	0	7
Equity portion of extinguishment of 2025 Notes	0	0	(2)	0	0	(2)
Stock-based compensation	0	0	56,316	0		56,316
Other comprehensive loss, net of tax	0	0	0	0	(18,440)	(18,440)
Net loss	0	0	0	(3,101,461)	0	(3,101,461)
Balance as of June 30, 2022	161,892,008	$ 162	$ 17,239,092	$ (11,124,740)	$ (29,864)	$ 6,084,650
Balance as of December 31, 2021	160,469,325	$ 160	$ 17,473,336	$ (1,421,454)	$ (6,285)	$ 16,045,757
Cumulative effect adjustment due to adoption of ASU 2020-06	0	0	(363,731)	72,698	0	(291,033)
Exercise of stock options	427,361	1	4,979	0	0	4,980
Issuance of common stock upon vesting of restricted stock units	846,620	1	(1)	0	0	0
Issuance of stock under employee stock purchase plan	148,609	0	4,225	0	0	4,225
Issuance of common stock for 2025 Notes	93	0	7	0	0	7
Equity portion of extinguishment of 2025 Notes	0	0	(2)	0	0	(2)
Stock-based compensation	0	0	120,279	0	0	120,279
Other comprehensive loss, net of tax	0	0	0	0	(23,579)	(23,579)
Net loss	0	0	0	(9,775,984)	0	(9,775,984)
Balance as of June 30, 2022	161,892,008	$ 162	$ 17,239,092	$ (11,124,740)	$ (29,864)	$ 6,084,650

See accompanying notes to unaudited condensed consolidated financial statements.

TELADOC HEALTH, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, unaudited)

	Six Months Ended June 30,	
	2023	**2022**
Cash flows from operating activities:		
Net loss	$ (134,405)	$ (9,775,984)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Goodwill impairment	0	9,630,000
Depreciation and amortization	145,248	118,304
Depreciation of rental equipment	1,324	1,486
Amortization of right-of-use assets	5,778	6,540
Provision for allowances	3,048	5,857
Stock-based compensation	101,763	111,436
Deferred income taxes	(3,557)	(2,528)
Accretion of interest	1,693	1,659
Other, net	4,570	0
Changes in operating assets and liabilities:		
Accounts receivable	(7,032)	(43,948)
Prepaid expenses and other current assets	16,625	(20,195)
Inventory	20,613	11,974
Other assets	(17,463)	(17,453)
Accounts payable	(31,788)	47,417
Accrued expenses and other current liabilities	20,742	20,712
Accrued compensation	(15,532)	(38,328)
Deferred revenue	7,546	10,823
Operating lease liabilities	(4,946)	(7,266)
Other liabilities	111	216
Net cash provided by operating activities	114,338	60,722
Cash flows from investing activities:		
Capital expenditures	(4,267)	(6,455)
Capitalized software	(77,927)	(69,213)
Other, net	0	3,264
Net cash used in investing activities	(82,194)	(72,404)
Cash flows from financing activities:		
Net proceeds from the exercise of stock options	677	4,980
Proceeds from employee stock purchase plan	5,435	1,972
Cash received for withholding taxes on stock-based compensation, net	1,450	54
Other, net	(1)	(5,524)
Net cash provided by financing activities	7,561	1,482
Net increase (decrease) in cash and cash equivalents	39,705	(10,200)
Foreign exchange difference	808	(2,119)
Cash and cash equivalents at beginning of the period	918,182	893,480
Cash and cash equivalents at end of the period	$ 958,695	$ 881,161
Income taxes paid	$ 785	$ 564
Interest paid	$ 8,676	$ 8,673

See accompanying notes to unaudited condensed consolidated financial statements.

TELADOC HEALTH, INC.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Organization and Description of Business

Teladoc Health, Inc., together with its subsidiaries, is referred to herein as "Teladoc Health," or the "Company," and is the global leader in whole person virtual care focusing on forging a new healthcare experience with better convenience, outcomes, and value around the world. The Company's mission is to empower all people everywhere to live their healthiest lives by transforming the healthcare experience.

The Company was incorporated in the State of Texas in June 2002 and changed its state of incorporation to the State of Delaware in October 2008. Effective August 10, 2018, Teladoc, Inc. changed its corporate name to Teladoc Health, Inc. The Company's principal executive office is located in Purchase, New York.

Note 2. Basis of Presentation and Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements for the six months ended June 30, 2023 and 2022, in the opinion of management, reflect all adjustments (consisting of normal recurring accruals) necessary for a fair presentation of the condensed consolidated results of operations, financial position and cash flows of Teladoc Health for the periods presented. However, the financial results for interim periods are not necessarily indicative of the results that may be expected for a full fiscal year or for any other future period.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles ("GAAP") in the United States ("U.S.") have been omitted or condensed pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). The information in this report should be read in conjunction with the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended December 31, 2022 (the "2022 Form 10-K"), which includes a complete set of footnote disclosures, including the Company's significant accounting policies.

These consolidated financial statements include the results of Teladoc Health, as well as two professional associations and 10 professional corporations (collectively, the "THMG Association").

Teladoc Health Medical Group, P.A., formerly Teladoc Physicians, P.A. ("THMG"), is party to a Services Agreement by and among it and the professional associations and professional corporations pursuant to which each professional association and professional corporation provides services to THMG. Each professional association and professional corporation is established pursuant to the requirements of its respective domestic jurisdiction governing the corporate practice of medicine.

The Company holds a variable interest in the THMG Association, which contracts with physicians and other health professionals in order to provide services to Teladoc Health. The THMG Association is considered a variable interest entity ("VIE") since it does not have sufficient equity to finance its activities without additional subordinated financial support. An enterprise having a controlling financial interest in a VIE must consolidate the VIE if it has both power and benefits—that is, it has (1) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance (power) and (2) the obligation to absorb losses of the VIE that potentially could be significant to the VIE or the right to receive benefits from the VIE that potentially could be significant to the VIE (benefits). The Company has the power and rights to control all activities of the THMG Association and funds and absorbs all losses of the VIE and appropriately consolidates the THMG Association.

Total revenue and net loss for the VIE were $58.8 million and $0.0 million, and $59.3 million and $0.5 million, for the three months ended June 30, 2023 and 2022, respectively. Total revenue and net loss for the VIE were
$120.4 million and $0.0 million, and $119.4 million and $2.8 million, for the six months ended June 30, 2023 and 2022, respectively. The VIE's total assets, all of which were current, were $210.0 million and $106.7 million at June 30, 2023 and December 31, 2022, respectively. The VIE's total liabilities, all of which were current, were $258.6 million and
$143.8 million at June 30, 2023 and December 31, 2022, respectively. The VIE's total stockholders' deficit was
$48.6 million and $37.1 million at June 30, 2023 and December 31, 2022, respectively.

All intercompany transactions and balances have been eliminated.

Certain prior year amounts have been reclassified to conform to the current year presentation.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. The Company bases its estimates on historical experience, current business and economic factors, and various other assumptions that the Company believes are necessary to form a basis for making judgments about the carrying values of assets and liabilities, the recorded amounts of revenue and expenses, and the disclosure of contingent assets and liabilities. The Company is subject to uncertainties such as the impact of future events, economic and political factors, and changes in the Company's business environment; therefore, actual results could differ from these estimates. Accordingly, the accounting estimates used in the preparation of the Company's condensed consolidated financial statements will change as new events occur, as more experience is acquired, as additional information is obtained and as the Company's operating environment evolves. The Company believes that estimates used in the preparation of these condensed consolidated financial statements are reasonable; however, actual results could differ materially from these estimates.

Changes in estimates are made when circumstances warrant. Such changes in estimates and refinements in estimation methodologies are reflected in the Condensed Consolidated Statements of Operations; if material, the effects of changes in estimates are disclosed in the Notes to Unaudited Condensed Consolidated Financial Statements.

Significant estimates and assumptions by management affect areas including the value and useful life of long-lived assets (including intangible assets), the value of goodwill, the capitalization and amortization of software development costs, deferred device and contract costs, allowances for sales and for doubtful accounts, and the accounting for business combinations. Other significant areas include revenue recognition (including performance guarantees), the accounting for income taxes, contingencies, litigation and related legal accruals, the accounting for stock-based compensation awards, and other items as described in the Summary of Significant Accounting policies in this Quarterly Report and in the 2022 Form 10-K.

Recently Adopted Accounting Standards

In September 2022, the financial accounting standards board issued Accounting Standards Update ("ASU") 2022-04, "Liabilities – Supplier Finance Programs (Subtopic 405-50) – Disclosure of Supplier Finance Program Obligations," to provide guidance on disclosure requirements for supplier finance programs and improve information transparency by requiring the disclosure of key terms of the program, amounts outstanding that remain unpaid, a description of where those amounts are presented in the balance sheet, and a roll forward of any outstanding obligations. ASU 2022-04 is effective for annual reporting periods, including interim periods therein, beginning after December 15, 2022, except for the amendment on roll forward information, which is effective for fiscal years beginning after December 15, 2023. The adoption of ASU 2022-04 did not have any impact on the Company's financial information.

Note 3. Revenue, Deferred Revenue, and Deferred Device and Contract Costs

The Company generates access fees from customers, which primarily consist of employers, health plans, hospitals and health systems, insurance and financial services companies (collectively "Clients"), as well as individual members who utilize the Company's solutions, accessing its professional provider network, hosted virtual healthcare platform, and chronic care management platforms. Visit fee revenue is generated for general medical, expert medical service, and other specialty visits and is reported as a component of other revenue when disaggregated revenue is presented. Revenue associated with virtual healthcare device equipment sales included with the Company's hosted virtual healthcare platform is also reported in other revenue. Access fees revenue accounted for 88% of the Company's total revenue in each of the three months ended June 30, 2023 and 2022. Access fees revenue accounted for 88% and 87% of the Company's total revenue for the six months ended June 30, 2023 and 2022, respectively.

The following table presents the Company's revenues disaggregated by revenue source and also by geography (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenue by Type				
Access fees	$ 575,661	$ 518,730	$ 1,126,531	$ 1,010,067
Other	76,745	73,649	155,119	147,662
Total Revenue	$ 652,406	$ 592,379	$ 1,281,650	$ 1,157,729
Revenue by Geography				
U.S. Revenue	$ 561,787	$ 521,386	$ 1,103,448	$ 1,012,586
International Revenue	90,619	70,993	178,202	145,143
Total Revenue	$ 652,406	$ 592,379	$ 1,281,650	$ 1,157,729

During the fourth quarter of 2022, the Company refined its definition of other revenue to capture revenues associated with visit fee, virtual healthcare device equipment sales, and its hosted virtual healthcare platform. Prior period amounts have been recast to conform with the current presentation.

Deferred Revenue

Deferred revenue represents billed, but unrecognized revenue, and is comprised of fees received in advance of the delivery or completion of the services and amounts received in instances when revenue recognition criteria have not been met. Deferred revenue associated with upfront payments for a device is amortized ratably over the expected member enrollment period. The Company utilizes third-party financing companies to provide certain Clients with a rental option. The principal portion of these up-front payments received by the Company of $21.9 million as of June 30, 2023 is included in deferred revenue. Deferred revenue that will be recognized during the next twelve-month period is recorded as current deferred revenue and the remaining portion is recorded as non-current deferred revenue.

For certain services, payment is required for future periods before the service is delivered to the member. The Company records deferred revenue when cash payments are received in advance of the Company's performance obligation to provide services. Deferred revenue, current plus long-term, was $121.6 million at June 30, 2023 and $109.6 million at June 30, 2022. The net increase of $7.8 million and $7.5 million in the deferred revenue balance for the six months ended June 30, 2023 and 2022, respectively, was primarily driven by increased cash payments received in advance of satisfying performance obligations, offset by revenue recognized that was included in the deferred revenue balance at the beginning of the period. The Company anticipates that it will satisfy most of its performance obligation associated with the deferred revenue within the prospective fiscal year. Revenue recognized during the three months ended June 30, 2023 and 2022 that was included in deferred revenue at the beginning of the periods was $70.3 million and $58.0 million, respectively. Revenue recognized during the six months ended June 30, 2023 and 2022 that was included in deferred revenue at the beginning of the periods was $76.8 million and $60.2 million, respectively.

The Company expects to recognize $86.4 million of revenue throughout the remainder of 2023, $26.7 million of revenue in the year ending December 31, 2024, and the remaining balance thereafter related to future performance obligations that are unsatisfied or partially unsatisfied as of June 30, 2023.

Deferred Device and Contract Costs

Deferred device and contract costs are classified as a component of prepaid expenses and other current assets or other assets, depending on term, and consisted of the following (in thousands):

	As of June 30, 2023	As of December 31, 2022
Deferred device and contract costs, current	$ 30,300	$ 29,956
Deferred device and contract costs, non-current	18,234	8,404
Total deferred device and contract costs	$ 48,534	$ 38,360

Deferred device and contract costs were as follows (in thousands):

	Deferred Device and Contract Costs
Beginning balance as of December 31, 2022	$ 38,360
Additions	32,841
Cost of revenue recognized	(22,667)
Ending balance as of June 30, 2023	$ 48,534

Note 4. Fair Value Measurements

The carrying value of the Company's cash equivalents, short-term investments, accounts receivable, accounts payable, and accrued liabilities approximates fair value due to their short-term nature.

The Company measures its financial assets and liabilities at fair value at each reporting period using a fair value hierarchy that requires it to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

A financial instrument's classification within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Three levels of inputs may be used to measure fair value:

Level 1—Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2—Include other inputs that are directly or indirectly observable in the marketplace.

Level 3—Unobservable inputs that are supported by little or no market activity.

The Company measures its cash equivalents at fair value on a recurring basis. The Company classifies its cash equivalents within Level 1 because they are valued using observable inputs that reflect quoted prices for identical assets in active markets and quoted prices directly in active markets.

The following tables present information about the Company's assets and liabilities that are measured at fair value on a recurring basis using the above input categories (in thousands):

	June 30, 2023		
	Level 1	Level 2	Total
Cash and cash equivalents	$ 958,695	$ 0	$ 958,695

	December 31, 2022		
	Level 1	Level 2	Total
Cash and cash equivalents	$ 918,182	$ 0	$ 918,182

There were no transfers between fair value measurement levels during any of the periods presented.

Note 5. Inventories

Inventories consisted of the following (in thousands):

	As of June 30, 2023	As of December 31, 2022
Raw materials and purchased parts	$ 23,424	$ 30,126
Work in process	939	433
Finished goods	17,918	31,977
Inventory reserve	(8,227)	(6,194)
Total inventories	$ 34,054	$ 56,342

Note 6. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following (in thousands):

	As of June 30, 2023	As of December 31, 2022
Prepaid expenses	$ 62,103	$ 63,159
Deferred device and contract costs, current	30,300	29,956
Other receivables	12,263	25,091
Other current assets	8,368	12,104
Total prepaid expenses and other current assets	$ 113,034	$ 130,310

Note 7. Goodwill

Goodwill consisted of the following (in thousands):

	Teladoc Health Integrated Care	BetterHelp	Total
Balance as of December 31, 2022 and June 30, 2023	$ 0	$ 1,073,190	$ 1,073,190

Goodwill is net of accumulated impairment losses of $13.4 billion, of which $12.3 billion was recognized prior to the Company reorganizing its reporting structure to include two reportable segments on October 1, 2022 and $1.1 billion was recognized on the goodwill assigned to the Teladoc Health Integrated Care segment.

Note 8. Intangible Assets, Net and Certain Cloud Computing Costs

Intangible assets, net consisted of the following (in thousands):

	Useful Life	Gross Value	Accumulated Amortization	Net Carrying Value	Weighted Average Remaining Useful Life (Years)
June 30, 2023					
Client relationships	2 years to 20 years	$ 1,459,489	$ (340,919)	$ 1,118,570	13.1
Trademarks	2 years to 15 years	325,256	(125,063)	200,193	6.8
Software	3 years to 5 years	378,925	(115,297)	263,628	2.6
Technology	4 years to 7 years	341,806	(140,092)	201,714	4.2
Intangible assets, net		$ 2,505,476	$ (721,371)	$ 1,784,105	9.8
December 31, 2022					
Client relationships	2 years to 20 years	$ 1,458,384	$ (291,993)	$ 1,166,391	13.5
Trademarks	2 years to 15 years	325,171	(98,303)	226,868	7.0
Software	3 years to 5 years	294,629	(78,373)	216,256	2.7
Technology	4 years to 7 years	343,067	(115,817)	227,250	4.7
Intangible assets, net		$ 2,421,251	$ (584,486)	$ 1,836,765	10.4

Amortization expense for intangible assets was $72.5 million and $56.7 million for the three months ended June 30, 2023 and 2022, respectively, and was $139.4 million and $113.3 million for the six months ended June 30, 2023 and 2022, respectively. Included in the total amortization expense was amortization for capitalized software development cost of $19.7 million and $7.0 million for the three months ended June 30, 2023 and 2022, respectively, and was $36.3 million and $13.7 million for the six months ended June 30, 2023 and 2022, respectively.

Net cloud computing costs are recorded in other assets within the balance sheets. As of June 30, 2023 and December 31, 2022, those costs were $36.2 million and $25.4 million, respectively. The associated expense for cloud computing costs is amortized in general and administration expense and was $1.0 million and $0.3 million for the three months ended June 30, 2023 and 2022, respectively, and was $1.8 million and $0.5 million for the six months ended June 30, 2023 and 2022, respectively.

Note 9. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following (in thousands):

	As of June 30, 2023	As of December 31, 2022
Professional fees	$ 16,901	$ 10,152
Consulting fees/provider fees	15,953	16,407
Client performance guarantees and accrued rebates	31,728	18,687
Interest payable	1,465	1,480
Income tax payable	1,176	3,817
Insurance	4,178	5,981
Lease abandonment obligation - current	5,348	3,247
Marketing	43,904	35,055
Operating lease liabilities – current	11,919	13,592
Franchise and sales taxes	15,067	10,183
Staff augmentation	4,339	3,391
Other	40,959	46,701
Total	$ 192,937	$ 168,693

Note 10. Convertible Senior Notes

Outstanding Convertible Senior Notes

As of June 30, 2023, the Company had three series of convertible senior notes outstanding. The issuances of such notes originally consisted of (i) $1.0 billion aggregate principal amount of 1.25% convertible senior notes due 2027 (the "2027 Notes"), issued on May 19, 2020 for net proceeds to the Company of $975.9 million after deducting offering costs of approximately $24.1 million, (ii) $287.5 million aggregate principal amount of 1.375% convertible senior notes due 2025 (the "2025 Notes"), issued on May 8, 2018 for net proceeds to the Company of $279.1 million after deducting offering costs of approximately $8.4 million, and (iii) $550.0 million aggregate principal amount of 0.875% convertible senior notes due 2025 that were issued by Livongo Health, Inc. ("Livongo") on June 4, 2020 for which the Company agreed to assume all of Livongo's rights and obligations (the "Livongo Notes;" and together with the 2027 Notes and the 2025 Notes, the "Notes").

The following table presents certain terms of the Notes that were outstanding as of June 30, 2023:

	2027 Notes	2025 Notes	Livongo Notes
Principal Amount Outstanding as of June 30, 2023 (in millions)	$ 1,000.0	$ 0.7	$ 550.0
Interest Rate Per Year	1.25 %	1.375 %	0.875 %
Fair Value as of June 30, 2023 (in millions) (1)	$ 795.0	$ 0.3	$ 497.0
Fair Value as of December 31, 2022 (in millions) (1)	$ 768.2	$ 0.3	$ 480.6
Maturity Date	June 1, 2027	May 15, 2025	June 1, 2025
Optional Redemption Date	June 5, 2024	May 22, 2022	June 5, 2023
Conversion Date	December 1, 2026	November 15, 2024	March 1, 2025
Conversion Rate Per $1,000 Principal Amount as of June 30, 2023	4.1258	18.6621	13.9400
Remaining Contractual Life as of June 30, 2023	3.9 years	1.9 years	1.9 years

(1) The Notes are classified as Level 2 within the fair value hierarchy, as defined in Note 4. "Fair Value Measurements."

All of the Notes are unsecured obligations of the Company and rank senior in right of payment to the Company's indebtedness that is expressly subordinated in right of payment to such Notes; equal in right of payment to the Company's liabilities that are not so subordinated; effectively junior in right of payment to any of the Company's secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness and other liabilities incurred by the Company's subsidiaries.

Holders may convert all or any portion of their Notes in integral multiples of $1,000 principal amount, at their option, at any time prior to the close of business on the business day immediately preceding the applicable conversion date only under the following circumstances:

- during any quarter (and only during such quarter), if the last reported sale price of the shares of Company's common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on the last trading day of the immediately preceding quarter is greater than or equal to 130% of the conversion price for the applicable Notes on each applicable trading day;
- during the five business day period after any ten consecutive trading day period (or five consecutive trading day period in the case of the Livongo Notes) in which the trading price was less than 98% of the product of the last reported sale price of Company's common stock and the conversion rate for the applicable Notes on each such trading day;
- upon the occurrence of specified corporate events described under the applicable indenture; or
- if the Company calls the applicable Notes for redemption, at any time until the close of business on the second business day immediately preceding the redemption date.

On or after the applicable conversion date, until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert all or any portion of such Notes, regardless of the foregoing circumstances.

The 2027 Notes and the 2025 Notes are convertible into shares of the Company's common stock at the applicable conversion rate shown in the table above. Upon conversion, the Company will pay or deliver, as the case may be, cash, shares of the Company's common stock or a combination thereof, at the Company's election. If the Company elects to satisfy the conversion obligation solely in cash or through payment and delivery, as the case may be, of a combination of cash and shares of the Company's common stock, the amount of cash and shares of the Company's common stock due upon conversion will be based on a daily conversion value calculated on a proportionate basis for each trading day in a 25 consecutive trading day observation period.

The Livongo Notes are convertible at the applicable conversion rate shown in the table above into "units of reference property," each of which is comprised of 0.592 of a share of the Company's common stock and $4.24 in cash, without interest. Upon conversion, the Company will pay or deliver, as the case may be, cash, units of reference property, or a combination thereof, at the Company's election. If the Company elects to satisfy the conversion obligation solely in cash or through payment and delivery, as the case may be, of a combination of cash and units of reference property, the amount of cash and units of reference property, if any, due upon conversion will be based on a daily conversion value calculated on a proportionate basis for each trading day in a 40 consecutive trading day observation period.

For each Note series, the Company may redeem for cash all or part of the Notes, at its option, on or after the applicable optional redemption date shown in the table above (and prior to the 41st scheduled trading day immediately preceding the maturity date in the case of the Livongo Notes) if the last reported sale price of its common stock exceeds 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading days ending on, and including, the trading day immediately preceding the date on which the Company provides notice of the redemption. The redemption price will be the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, if any. In addition, calling any 2027 Note or 2025 Note for redemption on or after the applicable optional redemption date will constitute a make-whole fundamental change with respect to that Note, in which case the conversion rate applicable to the conversion of that Note, if it is converted in connection with the redemption, will be increased in certain circumstances as described in the applicable indenture. If the Company undergoes a fundamental change (as defined in the applicable indenture) at any time prior to the maturity date of the Livongo Notes, holders will have the right, at their option, to require the Company to repurchase for cash all or any portion of their Livongo Notes at a fundamental change repurchase price equal to 100% of the principal amount of the Livongo Notes to be repurchased, plus accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

The Company accounts for each Note series at amortized cost within the liability section of its condensed consolidated balance sheets. The Company has reserved an aggregate of 8.7 million shares of common stock for the Notes.

The net carrying values of the Notes consisted of the following (in thousands):

	As of June 30, 2023	As of December 31, 2022
2027 Notes		
Principal	$ 1,000,000	$ 1,000,000
Less: Debt discount, net (1)	(13,738)	(15,430)
Net carrying amount	986,262	984,570
2025 Notes		
Principal	725	725
Less: Debt discount, net (1)	(6)	(7)
Net carrying amount	719	718
Livongo Notes		
Principal	550,000	550,000
Less: Debt discount, net (1)	0	0
Net carrying amount	550,000	550,000
Total net carrying amount	$ 1,536,981	$ 1,535,288

(1) Included in the accompanying condensed consolidated balance sheets within convertible senior notes and amortized to interest expense over the expected life of the Notes using the effective interest rate method.

The Company estimates the fair value of its Notes utilizing market quotations for debt that have quoted prices in active markets. Since the Notes do not trade on a daily basis in an active market, the fair value estimates are based on market observable inputs based on borrowing rates currently available for debt with similar terms and average maturities.

The following table sets forth total interest expense recognized related to the Notes (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
2027 Notes	2023	2022	2023	2022
Contractual interest expense	$ 3,125	$ 3,125	$ 6,250	$ 6,250
Amortization of debt discount	847	833	1,691	1,664
Total	$ 3,972	$ 3,958	$ 7,941	$ 7,914
Effective interest rate	1.6 %	1.6 %	1.6 %	1.6 %

	Three Months Ended June 30,		Six Months Ended June 30,	
2025 Notes	2023	2022	2023	2022
Contractual interest expense	$ 2	$ 2	$ 5	$ 5
Amortization of debt discount	1	1	2	2
Total	$ 3	$ 3	$ 7	$ 7
Effective interest rate	1.8 %	1.8 %	1.8 %	1.8 %

	Three Months Ended June 30,		Six Months Ended June 30,	
Livongo Notes	2023	2022	2023	2022
Contractual interest expense	$ 1,203	$ 1,203	$ 2,406	$ 2,406
Amortization of debt discount	0	0	0	0
Total	$ 1,203	$ 1,203	$ 2,406	$ 2,406
Effective interest rate	0.9 %	0.9 %	0.9 %	0.9 %

Note 11. Leases

The Company has operating leases for facilities, hosting co-location facilities, and certain equipment under non-cancelable leases in the U.S. and various international locations. The leases have remaining lease terms of less than one to nine years, with options to extend the lease term from one to five years. At the inception of an arrangement, the Company determines whether the arrangement is, or contains, a lease based on the terms covering the right to use property, plant or equipment for a stated period of time. For new and amended leases beginning in 2020 and after, the Company separately allocates the lease (e.g., fixed lease payments for right-to-use land, building, etc.) and non-lease components (e.g., common area maintenance) for its leases.

The Company leases office space under non-cancelable operating leases in the U.S. and various international locations. The future minimum lease payments under non-cancelable operating leases were as follows (in thousands):

Operating Leases:	**As of June 30, 2023**
2023	$ 7,943
2024	11,967
2025	9,350
2026	8,156
2027	6,044
2028 and thereafter	14,753
Total future minimum payments	58,213
Less: imputed interest	(9,485)
Present value of lease liabilities	$ 48,728
Accrued expenses and other current liabilities	$ 11,919
Operating lease liabilities, net of current portion	$ 36,809

The Company rents certain information systems to selected qualified customers under arrangements that qualify as either sales-type lease or operating lease arrangements. Leases have terms that generally range from two to five years.

The Company recorded certain restructuring costs related to lease impairments and the related charges due to the abandonment and/or exit of excess leased office space. However, the lease liabilities related to these spaces remain an outstanding obligation of the Company as of June 30, 2023. See Note. 12, “Restructuring,” for further information.

Note 12. Restructuring

The Company has continued the previously reported actions to restructure its operations to reduce operating costs. In connection with the restructuring, the Company expected to incur approximately $17 million in pre-tax charges in the year ending December 31, 2023, consisting of $9 million related to employee transition, severance payments, employee benefits, and related costs and $8 million of costs associated with office space reductions. The Company accounts for restructuring costs in accordance with ASC Subtopic 420-10, "Exit or Disposal Cost Obligations" and ASC Section 360-10-35, "Property, Plant and Equipment-Subsequent Measurement." The costs are recorded to the "Restructuring costs" line item within the Company's Condensed Consolidated Statements of Operations and Other Comprehensive Loss as they are recognized.

During the three months ended June 30, 2023, the Company recorded $7.5 million of restructuring costs, of which $0.5 million was related to employee transition, severance payments, employee benefits, and related costs and $7.0 million was related to costs associated with office space reductions, including $4.4 million of right-of-use asset impairment charges. During the six months ended June 30, 2023, the Company recorded $15.6 million of restructuring costs, of which $7.7 million was related to employee transition, severance payments, employee benefits, and related costs and $7.9 million was related to costs associated with office space reductions, including $4.9 million of right-of-use asset impairment charges. The portion of these amounts to be settled by cash disbursements was accounted for as a restructuring liability

under the line item "Accrued expenses and other current liabilities" in the Company's Condensed Consolidated Balance Sheets.

The recognition of restructuring charges has been substantially completed as of June 30, 2023.

The table below summarizes the accrual and charges incurred with respect to the Company's restructuring, with the severance related portion included in the line item "Accrued compensation" and the lease termination related portion included in the line item "Accrued expenses and other current liabilities" in the Company's Consolidated Balance Sheet as of June 30, 2023 (in thousands):

	Restructuring Plan		
	Severance	Lease Termination	Total
Accrued Balance, December 31, 2022	$ 796	$ 3,247	$ 4,043
Additions	7,662	3,107	10,769
Cash payments	(6,978)	(1,006)	(7,984)
Accrued Balance, June 30, 2023	$ 1,480	$ 5,348	$ 6,828

Note 13. Common Stock and Stockholders' Equity

Stock Plans

The Company's 2023 Incentive Award Plan (the "2023 Plan") provides for the issuance of incentive and non-statutory options and other equity-based awards to its employees and non-employee service providers. Prior to the approval of the 2023 Plan at the Company's 2023 annual meeting of stockholders, the Company's 2015 Incentive Award Plan, 2017 Employment Inducement Incentive Award Plan and Livongo Acquisition Incentive Award Plan (together with the 2023 Plan, collectively, the "Plans") also provided for the issuance of such awards. The Company had 14,194,292 shares available for grant under the 2023 Plan at June 30, 2023.

All stock-based awards to employees are measured based on the grant-date fair value, or replacement grant date fair value in relation to the Livongo transaction, and are generally recognized on a straight line basis in the Company's condensed consolidated statements of operations over the period during which the employee is required to perform services in exchange for the award (generally requiring a four-year vesting period for each stock option and a three-year vesting period for each restricted stock unit ("RSU")). The Company recognizes the forfeiture of stock-based awards as they occur.

Stock Options

Options issued under the Plans are exercisable for periods not to exceed 10 years, and vest and contain such other terms and conditions as specified in the applicable award document. Options to buy common stock are issued under the Plans, with exercise prices equal to the closing price of shares of the Company's common stock on the New York Stock Exchange on the date of award.

Stock option activity under the Plans was as follows (in thousands, except share and per share amounts and years):

	Number of Shares Outstanding	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life in Years	Aggregate Intrinsic Value
Balance at December 31, 2022	4,243,934	$ 27.79	6.10	$ 20
Stock option grants	59,679	$ 24.37	n/a	
Stock options exercised	(78,033)	$ 8.67	n/a	$ 1,402
Stock options forfeited	(89,504)	$ 49.26	n/a	
Balance at June 30, 2023	4,136,076	$ 27.63	5.64	$ 21,701
Vested or expected to vest at June 30, 2023	4,136,076	$ 27.63	5.64	$ 21,701
Exercisable at June 30, 2023	3,047,326	$ 24.67	4.45	$ 21,634

The total grant-date fair value of stock options granted during the three months ended June 30, 2023 and 2022 were $0.6 million and $23.0 million, respectively. The total grant-date fair value of stock options granted during the six months ended June 30, 2023 and 2022 were $0.8 million and $24.6 million, respectively.

The Company estimates the fair value of stock options granted using the Black-Scholes option pricing model.

The assumptions used are determined as follows:

Volatility. The expected volatility was derived from the historical stock volatilities of the Company's stock over a period equivalent to the expected term of the stock option grants.

Expected Term. The expected term represents the period that the stock-based awards are expected to be outstanding. When establishing the expected term assumption, the Company utilizes historical data.

Risk-Free Interest Rate. The risk-free interest rate is based on U.S. Treasury zero-coupon issues with terms similar to the expected term on the options.

Dividend Yield. The Company has never declared or paid any cash dividends and does not plan to pay cash dividends in the foreseeable future and, therefore, it used an expected dividend yield of zero.

The fair value of each option grant was estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions and fair value per share:

	Six Months Ended June 30,	
	2023	**2022**
Volatility	65.58% - 67.92%	56.69% - 65.57%
Expected term (in years)	4.3	4.1
Risk-free interest rate	3.68% - 4.08%	1.13% - 2.89%
Dividend yield	0%	0%
Weighted-average fair value of underlying stock options	$13.41	$17.72

For the three months ended June 30, 2023 and 2022, the Company recorded stock-based compensation related to stock options granted of $2.4 million and $4.9 million, respectively. For the six months ended June 30, 2023 and 2022, the Company recorded stock-based compensation related to stock options granted of $4.7 million and $15.6 million, respectively.

As of June 30, 2023, the Company had $18.8 million in unrecognized compensation cost related to non-vested stock options, which is expected to be recognized over a weighted-average period of approximately 2.2 years.

Restricted Stock Units

The fair value of RSUs is determined on the date of grant. The Company records compensation expense in the consolidated statements of operations on a straight-line basis over the vesting period for RSUs. The vesting period for employees and members of the Board of Directors ranges from 1 year to 3 years.

RSU activity under the Plans was as follows:

	RSUs	Weighted-Average Grant Date Fair Value Per RSU
Balance at December 31, 2022	6,481,669	$ 63.63
Granted	6,790,129	$ 26.75
Vested and issued	(1,861,991)	$ 76.35
Forfeited	(836,235)	$ 55.68
Balance at June 30, 2023	10,573,572	$ 38.26
Vested and unissued at June 30, 2023	43,118	$ 56.25
Non-vested at June 30, 2023	10,530,454	$ 38.18

The total grant-date fair value of RSUs granted during the three months ended June 30, 2023 and 2022 was $12.6 million and $92.8 million, respectively. The total grant-date fair value of RSUs granted during the six months ended June 30, 2023 and 2022 was $181.6 million and $274.7 million, respectively.

For the three months ended June 30, 2023 and 2022, the Company recorded stock-based compensation related to RSUs of $53.7 million and $49.7 million, respectively. For the six months ended June 30, 2023 and 2022, the Company recorded stock-based compensation related to RSUs of $96.9 million and $94.2 million, respectively.

As of June 30, 2023, the Company had $347.2 million in unrecognized compensation cost related to non-vested RSUs, which is expected to be recognized over a weighted-average period of approximately 2.2 years.

Performance Stock Units

Stock-based compensation costs associated with the Company's RSUs subject to performance criteria ("PSUs") are initially determined using the fair market value of the Company's common stock on the date the awards are granted (service inception date). The vesting of these PSUs is subject to certain performance conditions and a service requirement ranging from one to three years. Stock-based compensation costs associated with these PSUs are re-assessed each reporting period based upon the estimated performance attainment on the reporting date until the performance conditions are met. The ultimate number of PSUs that are issued to an employee is the result of the actual performance of the Company at the end of the performance period compared to the performance targets and generally ranges from 0% to 200% of the initial grant. Stock compensation expense for PSUs is recognized on an accelerated tranche by tranche basis for performance-based awards.

PSU activity under the Plans was as follows:

	Shares	Weighted-Average Grant Date Fair Value Per PSU
Balance at December 31, 2022	629,672	$ 99.07
Granted	1,297,725	$ 26.90
Vested and issued	(117,966)	$ 153.96
Forfeited	(5,999)	$ 88.78
Performance adjustment (1)	(283,282)	$ 79.12
Balance at June 30, 2023	1,520,150	$ 36.96
Vested and unissued at June 30, 2023	0	$ 0.00
Non-vested at June 30, 2023	1,520,150	$ 36.96

(1) Based on the Company's 2022 results, PSUs were attained at rates ranging from 0% to 86.25% of the target award.

The total grant-date fair value of PSUs granted during the three months ended June 30, 2023 and 2022 was $4.6 million and $4.9 million, respectively. The total grant-date fair value of PSUs granted during the six months ended June 30, 2023 and 2022 was $34.9 million and $35.0 million, respectively.

For the three months ended June 30, 2023 and 2022, the Company recorded stock-based compensation related to PSUs of $3.7 million and $2.1 million, respectively. For the six months ended June 30, 2023 and 2022, the Company recorded stock-based compensation related to PSUs of $7.2 million and $9.4 million, respectively.

As of June 30, 2023, the Company had $43.2 million in unrecognized compensation cost related to non-vested PSUs, which is expected to be recognized over a weighted-average period of approximately 1.8 years.

Employee Stock Purchase Plan

In July 2015, the Company adopted the 2015 Employee Stock Purchase Plan ("ESPP") in connection with its initial public offering. At the Company's 2023 annual meeting of stockholders, the Company's stockholders approved an amendment to the ESPP to increase the number of shares of the Company's common stock available for issuance under the ESPP by 3,000,000. A total of 4,113,343 shares of common stock were reserved for issuance under this plan as of June 30, 2023. The Company's ESPP permits eligible employees to purchase common stock at a discount through payroll deductions during defined offering periods. Under the ESPP, the Company may specify offerings with durations of not more than 27 months and may specify shorter purchase periods within each offering. Each offering will have one or more purchase dates on which shares of its common stock will be purchased for employees participating in the offering. An offering may be terminated under certain circumstances. The price at which the stock is purchased is equal to the lower of 85% of the fair market value of the common stock at the beginning of an offering period or on the date of purchase.

During the three months ended June 30, 2023 and 2022, the Company issued 271,736 shares and 148,609 shares, respectively, under the ESPP. As of June 30, 2023, 3,121,353 shares remained available for issuance.

For the three months ended June 30, 2023 and 2022, the Company recorded stock-based compensation related to the ESPP of $0.9 million and $(0.4) million, respectively. For the six months ended June 30, 2023 and 2022, the Company recorded stock-based compensation related to the ESPP of $2.4 million and $1.1 million, respectively.

As of June 30, 2023, the Company had $1.7 million in unrecognized compensation cost related to the ESPP, which is expected to be recognized over a weighted-average period of approximately 0.4 years.

Total compensation costs for stock-based awards were recorded as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Cost of revenue (exclusive of depreciation and amortization, which is shown separately)	$ 1,243	$ 2,123	$ 2,596	$ 4,319
Advertising and marketing	4,002	3,198	7,128	6,909
Sales	9,870	10,709	17,947	22,781
Technology and development	15,689	15,093	28,416	33,180
General and administrative	24,921	19,877	45,676	44,247
Total stock-based compensation expense (1)	$ 55,725	$ 51,000	$ 101,763	$ 111,436

(1) Excludes the amount capitalized related to internal software development projects.

In the six months ended June 30, 2023, the Company reversed $4.5 million of share-based compensation expense associated with individuals terminated under its restructuring plans. See Note 12, "Restructuring," for further information.

Note 14. Provision for Income Taxes

The Company's provision for income taxes was a benefit of $1.0 million and $0.3 million for the three and six months ended June 30, 2023, respectively. The tax benefit was the result of the current period book loss, primarily offset by valuation allowances and the tax shortfall associated with the stock-based compensation awards that vested in the year.

The Company recorded income tax benefits of $1.2 million and $0.8 million for the three and six months ended June 30, 2022, respectively.

Note 15. Legal Matters

From time to time, Teladoc Health is involved in various litigation matters arising in the normal course of business, including the matters described below. The Company consults with legal counsel on those issues related to litigation and seeks input from other experts and advisors with respect to such matters. Estimating the probable losses or a range of probable losses resulting from litigation, government actions, and other legal proceedings is inherently difficult and requires an extensive degree of judgment, particularly where the matters involve indeterminate claims for monetary damages, may involve discretionary amounts, present novel legal theories, are in the early stages of the proceedings, or are subject to appeal. Whether any losses, damages, or remedies ultimately resulting from such matters could reasonably have a material effect on the Company's business, financial condition, results of operations, or cash flows will depend on a number of variables, including, for example, the timing and amount of such losses or damages (if any) and the structure and type of any such remedies. As of the date of these financial statements, Teladoc Health's management does not expect any litigation matter to have a material adverse impact on its business, financial condition, results of operations, or cash flows.

On August 27, 2021, a purported securities class action complaint (City of Hialeah Employees' Retirement System v. Teladoc Health, Inc., et.al.) was filed in the Circuit Court of Cook County, Illinois against the Company and certain of the Company's current and former officers and directors. The complaint was brought on behalf of a purported class consisting of all persons who acquired shares of Teladoc Health common stock issued in the Livongo merger. The complaint asserted violations of Sections 11, 12(a)(2) and 15 of the Securities Act based on allegedly false or misleading statements and omissions with respect to the registration statement and prospectus filed in connection with the Livongo merger. The complaint sought certification as a class action, unspecified compensatory damages plus interest and attorneys' fees, rescission or a rescissory measure of damages and equitable or other relief. On January 18, 2022, the case was voluntarily dismissed without prejudice in the Circuit Court of Cook County, Illinois and on January 26, 2022, was refiled in the Supreme Court of the State of New York. The refiled case includes substantially the same allegations. The Company believes that these claims are without merit, and the Company and its named current and former officers and directors intend to defend the lawsuit vigorously, including through the filing of a motion to dismiss the complaint on April 8, 2022.

On June 6, 2022, a purported securities class action complaint (Schneider v. Teladoc Health, Inc., et. al.) was filed in the U.S. District Court for the Southern District of New York against the Company and certain of the Company's officers. The complaint was brought on behalf of a purported class consisting of all persons or entities who purchased or otherwise acquired shares of the Company's common stock during the period October 28, 2021 through April 27, 2022. The complaint asserted violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder based on allegedly false or misleading statements and omissions with respect to, among other things, the Company's business, operations, and prospects. The complaint seeks certification as a class action and unspecified compensatory damages plus interest and attorneys' fees. On August 2, 2022, a duplicative purported securities class action complaint (De Schutter v. Teladoc Health, Inc., et.al.) was filed in the U.S. District Court for the Eastern District of New York. The claims and parties in De Schutter were substantially similar to those in Schneider. The De Schutter case was transferred on consent to the Southern District court, and the Schneider and De Schutter actions have now been consolidated under the caption In re Teladoc Health, Inc. Securities Litigation. On August 23, 2022, the court appointed Leadersel Innotech ESG as lead plaintiff pursuant to the Private Securities Litigation Reform Act of 1995. The lead plaintiff filed an amended complaint on September 30, 2022, on behalf of a purported class consisting of all persons or entities who purchased or otherwise acquired shares of the Company's common stock during the period February 24, 2021 to July 27, 2022, and filed a second amended complaint on December 6, 2022, on behalf of a purported class consisting of all persons or entities who purchased or otherwise acquired shares of the Company's common stock during the period February 11, 2021 to July 27, 2022. On July 5, 2023, the court granted the defendants' motion to dismiss the complaint. The Company believes that these claims are without merit, and the Company and its named officers intend to defend any appeal or further proceedings in the lawsuit vigorously.

On August 9, 2022, a verified shareholder derivative complaint (Vaughn v. Teladoc Health, Inc., et.al.) was filed in the U.S. District Court for the Southern District of New York against the Company as a nominal defendant and certain of the Company's officers and directors. The complaint asserts violations of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, breach of fiduciary duty, aiding and abetting breach of fiduciary duty, unjust enrichment, and waste of corporate assets in connection with factual assertions similar to those in the purported securities class action complaints described above. The complaint seeks damages to the Company allegedly sustained as a result of the acts and omissions of the named officers and directors and seeks an order directing the Company to reform and

improve the Company's corporate governance. On September 6, 2022, a duplicative verified stockholder derivative complaint (Hendry v. Teladoc Health, Inc., et. al.) was filed in the U.S. District Court for the Southern District of New York. The claims and parties in Hendry were substantially similar to those in Vaughn. The Vaughn and Hendry actions have now been consolidated under the caption In re Teladoc Stockholder Derivative Litigation, and a consolidated complaint was filed on November 29, 2022. The consolidated complaint also asserts violations of Section 14(a) of the Securities Exchange Act of 1934. The parties subsequently stipulated to transfer the action to the U.S. District Court for the District of Delaware, and on December 22, 2022 the parties agreed, and the Court ordered, to stay all proceedings until final resolution, including exhaustion of appeals, of the motion to dismiss filed in the purported securities class action complaint described above.

On July 30, 2020, the Company's subsidiary BetterHelp, Inc. ("BetterHelp") received a Civil Investigative Demand from the U.S. Federal Trade Commission ("FTC") as part of its non-public investigation to determine whether BetterHelp engaged in unfair business practices in violation of the Federal Trade Commission Act. In March 2023, BetterHelp and the FTC entered into a tentative settlement of all claims arising from the FTC's investigation and agreed to a consent order that required the Company to make a $7.8 million payment to the FTC. The settlement, including the consent order, received final approval from the FTC on July 14, 2023.

There have been multiple putative class-action litigations filed against BetterHelp in connection with the above-referenced FTC settlement and consent order. The actions have been filed in California federal and state courts and in Canada. The cases are substantially similar, involving allegations of misleading patients as to BetterHelp's use of patient data and associated alleged violations of law involving privacy, advertising, contract and tort. The Company believes that these claims are without merit, and the Company intends to defend the lawsuits vigorously.

Note 16. Segments

ASC Subtopic 280-10, *"Segment Reporting,"* establishes standards for reporting information about operating segments. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker ("CODM") in deciding how to allocate resources and assess performance. The Company's Chief Executive Officer is the CODM and is responsible for reviewing financial information presented on a segment basis for purposes of making operating decisions and assessing financial performance.

The CODM measures and evaluates segments based on segment operating revenues together with Adjusted EBITDA. The Company excludes the following items from segment Adjusted EBITDA: provision for income taxes; other income, net; interest income; interest expense; depreciation and amortization; goodwill impairment; loss on extinguishment of debt; stock-based compensation; restructuring costs; and acquisition, integration and transformation charges. Although these amounts are excluded from segment Adjusted EBITDA, they are included in reported consolidated net loss and are included in the reconciliation that follows.

The Company's computation of segment Adjusted EBITDA may not be comparable to other similarly titled metrics computed by other companies because all companies do not calculate segment Adjusted EBITDA in the same fashion.

Operating revenues and expenses directly associated with each segment are included in determining its operating results. Other expenses that are not directly attributable to a particular segment are based upon allocation methodologies, including the following: revenue, headcount, time and other relevant usage measures, and/or a combination of such.

The Company has two reportable segments: Teladoc Health Integrated Care and BetterHelp. The Integrated Care segment includes a suite of global virtual medical services including general medical, expert medical services, specialty medical, chronic condition management, mental health, and enabling technologies and enterprise telehealth solutions for hospitals and health systems. The BetterHelp segment includes virtual mental health and other wellness services provided on a global basis which are predominantly marketed and sold on a direct-to-consumer basis. Other reflects certain revenues and charges not related to ongoing segment operations.

The CODM does not review any information regarding total assets on a segment basis. Segments do not record intersegment revenues, and, accordingly, there is none to be reported. The accounting policies for segment reporting are the same as for the Company as a whole.

The following table presents revenues by segment (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Teladoc Health Integrated Care	$ 360,050	$ 341,599	$ 710,022	$ 673,983
BetterHelp	292,356	247,314	571,628	477,488
Other (1)	0	3,466	0	6,258
Total Consolidated Revenue	$ 652,406	$ 592,379	$ 1,281,650	$ 1,157,729

The following table presents Adjusted EBITDA by segment (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Teladoc Health Integrated Care	$ 37,968	$ 29,320	$ 73,095	$ 52,587
BetterHelp	34,187	20,022	51,825	50,120
Other (1)	0	(2,631)	0	(1,499)
Total Consolidated Adjusted EBITDA	$ 72,155	$ 46,711	$ 124,920	$ 101,208

(1) Other reflects certain revenues and expenses not related to ongoing segment operations.

The following table presents a reconciliation of segment Adjusted EBITDA to consolidated GAAP income before income taxes (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Teladoc Health Integrated Care	$ 37,968	$ 29,320	$ 73,095	$ 52,587
BetterHelp	34,187	20,022	51,825	50,120
Other	0	(2,631)	0	(1,499)
Total consolidated Adjusted EBITDA	72,155	46,711	124,920	101,208
Adjustments to reconcile to GAAP net loss				
Goodwill impairment	0	(3,030,000)	0	(9,630,000)
Interest income	11,558	1,225	20,469	1,389
Interest expense	(5,835)	(5,562)	(11,098)	(11,206)
Other income (expense), net	(207)	(1,760)	4,700	(1,036)
Depreciation and amortization	(75,465)	(59,371)	(145,248)	(118,304)
Stock-based compensation	(55,725)	(51,000)	(101,763)	(111,436)
Acquisition, integration, and transformation costs	(5,080)	(2,892)	(11,024)	(7,399)
Restructuring costs	(7,530)	0	(15,632)	0
Loss before provision for income taxes	(66,129)	(3,102,649)	(134,676)	(9,776,784)
Provision for income taxes	952	1,188	271	800
Net loss	$ (65,177)	$ (3,101,461)	$ (134,405)	$ (9,775,984)

Geographic data for long-lived assets (representing property, plant and equipment) were as follows (in thousands):

	As of June 30, 2023	As of December 31, 2022
United States	$ 26,342	$ 25,935
Other	4,050	3,706
Total long-lived assets	$ 30,392	$ 29,641

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Special Note Regarding Forward-Looking Statements

Many statements made in this Quarterly Report on Form 10-Q that are not statements of historical fact, including statements about our beliefs and expectations, are forward-looking statements and should be evaluated as such. Forward-looking statements include information concerning possible or assumed future results of operations, including descriptions of our business plan and strategies. These statements often include words such as "anticipates," "believes," "suggests," "targets," "projects," "plans," "expects," "future," "intends," "estimates," "predicts," "potential," "may," "will," "should," "could," "would," "likely," "foresee," "forecast," "continue" and other similar words or phrases, as well as statements in the future tense to identify these forward-looking statements. These forward-looking statements and projections are contained throughout this Form 10-Q, including the section entitled" "Management's Discussion and Analysis of Financial Condition and Results of Operations." We base these forward-looking statements or projections on our current expectations, plans and assumptions that we have made in light of our experience in the industry, as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances and at such time. As you read and consider this Form 10-Q, you should understand that these statements are not guarantees of performance or results. The forward-looking statements and projections are subject to and involve risks, uncertainties, and assumptions and you should not place undue reliance on these forward-looking statements or projections. Although we believe that these forward-looking statements and projections are based on reasonable assumptions at the time they are made, you should be aware that many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those expressed in the forward-looking statements and projections. Factors that may materially affect such forward-looking statements and projections include, but are not limited to, the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022 (the "2022 Form 10-K") and in our other reports and U.S. Securities and Exchange Commission ("SEC") filings. These cautionary statements should not be construed by you to be exhaustive and are made only as of the date of this Form 10-Q. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should evaluate all forward-looking statements made in this Form 10-Q in the context of these risks and uncertainties.

Overview

Teladoc, Inc. was incorporated in the State of Texas in June 2002 and changed its state of incorporation to the State of Delaware in October 2008. Effective August 10, 2018, Teladoc, Inc. changed its corporate name to Teladoc Health, Inc. Unless the context otherwise requires, Teladoc Health, Inc., together with its subsidiaries, is referred to herein as "Teladoc Health," the "Company," or "we." The Company's principal executive office is located in Purchase, New York. Teladoc Health is the global leader in whole person virtual care focusing on forging a new healthcare experience with better convenience, outcomes, and value around the world.

Teladoc Health was founded on a simple, yet revolutionary idea: that everyone should have access to the best healthcare, anywhere in the world on their terms. Today, we have a vision of making virtual care the first step on any healthcare journey, and we are delivering on this mission by providing whole person virtual care that includes primary care, mental health, chronic condition management, and more.

Key Factors Affecting Our Performance

We believe that our future performance will depend on many factors, including the following:

As it relates to the Integrated Care segment:

Number of U.S. Integrated Care Members. U.S. Integrated Care members represent the number of unique individuals who have paid access and visit fee only access to our suite of integrated care services in the U.S. at the end of the applicable period. Our revenue growth rate and long-term profitability are affected by our ability to increase cross selling capability among our existing members over time because we derive a substantial portion of our revenue from access and other fees via Client contracts that provide members access to our professional provider network in exchange for a contractual based periodic fee. Therefore, we believe that our ability to add new members and retain existing members, and to increase utilization and penetration further into existing and new health plan Clients is a key indicator of our increasing market adoption, the growth of our business, and our future revenue potential. We further believe that increasing our membership is an integral objective that will provide us with the ability to continually innovate our services

and support initiatives that will enhance members' experiences. U.S. Integrated Care members increased by 5.3 million to 85.9 million at June 30, 2023, compared to the same period in 2022.

Chronic Care Program Enrollment. Chronic care program enrollment represents the total number of enrollees across our suite of chronic care programs at the end of a given period. Our chronic care program enrollments are one of the key components of our whole person virtual care platform that we believe positions us to drive greater engagement with our platforms and increased revenue. Chronic care program enrollment increased by 7% to 1.073 million at June 30, 2023, compared to 1.005 million at June 30, 2022.

Average Revenue Per U.S. Integrated Care Member. Average revenue per U.S. Integrated Care member measures the average amount of global revenue that we generate from a U.S. Integrated Care member for a particular period. It is calculated by dividing the total revenue generated from the Integrated Care segment by the average number of U.S. Integrated Care members during the applicable period. Approximately 20% of total Integrated Care revenues relates to international and hospital and health systems for which membership is not considered as a management metric. We believe that our ability to increase the revenue generated from each member over time is also a key indicator of our increasing market adoption, the growth of our business, and future revenue potential. Average revenue per U.S. Integrated Care member decreased to $1.41 in the three months ended June 30, 2023, from $1.43 in the same period in 2022, primarily due to the impact of new members onboarded over the course of the year. Average revenue per U.S. Integrated Care member decreased to $1.40 in the six months ended June 30, 2023 from $1.42 in the same period in 2022, primarily due to the impact of new members onboarded over the course of the year.

As it relates to the BetterHelp segment:

BetterHelp Paying Users. BetterHelp paying users represent the average number of global monthly paying users of our BetterHelp therapy services during the applicable period. We believe that our ability to add new paying users and retain existing users is a key indicator of the increasing market adoption of BetterHelp, the growth of that business, and future revenue potential. Our ability to efficiently reach new potential paying users through various advertising channels helped us to increase BetterHelp paying users by 17% to 0.476 million for the three months ended June 30, 2023, compared to 0.408 million for the three months ended June 30, 2022, and increased by 19% to 0.471 million for the six months ended June 30, 2023, compared to 0.395 million for the six months ended June 30, 2022.

As it relates to the Company:

Seasonality. Our business has historically been subject to seasonality. In our Integrated Care segment, as a result of many Clients' introduction of new services at the start of each year, a concentration of our new Client contracts has an effective date of January 1. Therefore, while membership increases, utilization and enrollment rates are dampened until service delivery ramps up over the course of the year. As a result of seasonal cold and flu trends, we historically have experienced our highest level of visit and other fee revenue during the first and fourth quarters of each year.

Due to the higher cost of customer acquisition during the end-of-year holiday season, our BetterHelp segment has historically reduced marketing activity during the fourth quarter. As a result of this dynamic we have typically experienced fewer new member additions and the strongest operating income performance in the fourth quarter. Conversely, as marketing activity typically resumes at the start of the year, we typically experience the weakest operating income performance during the first quarter as new customer acquisition and revenue growth lags marketing spend.

Critical Accounting Estimates and Policies

Our discussion and analysis of our results of operations, liquidity and capital resources are based on our condensed consolidated financial statements which have been prepared in conformity with accounting principles generally accepted in the U.S. ("GAAP"). The preparation of these condensed consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and disclosure of contingent assets and liabilities.

On an ongoing basis, we evaluate our estimates and judgments, including those related to revenue recognition, business combinations, goodwill and other intangible assets, income taxes, and other items. We base our estimates on historical and anticipated results and trends and on various other assumptions that we believe are reasonable under the circumstances, including assumptions as to future events. These estimates form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. By their nature, estimates are

subject to an inherent degree of uncertainty. Actual results may differ from our estimates and could have a significant adverse effect on our results of operations and financial position. For a discussion of our critical accounting policies and estimates see Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the 2022 Form 10-K. In addition, the following updates our discussion of impairment testing therein as of June 30, 2023.

Goodwill Impairment Charge

There were no impairment charges recorded for goodwill or definite-lived intangible assets for the three and six months ended June 30, 2023. As of the last goodwill testing period, the excess of reporting unit value over carrying value was significant for the remaining unimpaired goodwill, which was the portion of goodwill assigned to the BetterHelp segment on the October 1, 2022 testing date.

At June 30, 2022, we performed an impairment assessment using updated valuation assumptions as compared to those used for the March 31, 2022 impairment assessment. The discount rate was increased for a company risk premium to reflect the then-current perception of risks of achieving projected cash flows and, to a lesser extent, to reflect further increases in interest rates and market volatility. Additionally, revenue market multiples were lowered based upon an updated analysis of a consistent peer group. The June 30, 2022 assessment did not result in an impairment of definite-lived intangible assets or other long-lived assets, but did result in an additional $3.0 billion non-deductible goodwill impairment charge (or $18.78 per basic and diluted share). For the six months ended June 30, 2022, a $9.6 billion non-deductible goodwill impairment charge (or $59.81 per basic and diluted share) was recognized. The non-cash impairment charges had no impact on the provision for income taxes.

EBITDA and Adjusted EBITDA

To supplement our financial information presented in accordance with GAAP, we use earnings before interest, provision for income taxes, depreciation, and amortization ("EBITDA"), Adjusted EBITDA, and free cash flow, which are non-GAAP financial measures, to clarify and enhance an understanding of past performance. We believe that the presentation of these financial measures enhances an investor's understanding of our financial performance, and are commonly used by investors to evaluate our performance and that of our competitors. We further believe that these financial measures are useful financial metrics to assess our operating performance and financial and business trends from period-to-period by excluding certain items that we believe are not representative of our core business, and that free cash flow reflects an additional way of viewing our liquidity that, when viewed together with GAAP results, provides management, investors, and other users of our financial information with a more complete understanding of factors and trends affecting our cash flows. We use these non-GAAP financial measures for business planning purposes and in measuring our performance relative to that of our competitors. We utilize Adjusted EBITDA as a key measure of our performance.

EBITDA consists of net loss before interest income; interest expense; other income, net, including foreign exchange gain or loss; provision for income taxes; depreciation and amortization; and goodwill impairment. Adjusted EBITDA consists of net loss before interest income; interest expense; other income, net, including foreign exchange gain or loss; provision for income taxes; depreciation and amortization; goodwill impairment; stock-based compensation; restructuring costs; and acquisition, integration, and transformation costs.

Free cash flow is net cash (used in) provided by operating activities less capital expenditures and capitalized software development costs.

Our use of these non-GAAP terms may vary from that of others in our industry, and other companies may calculate such measures differently than we do, limiting their usefulness as comparative measures.

Non-GAAP measures have important limitations as analytical tools and you should not consider them in isolation, and they should not be considered as an alternative to net loss before provision for income taxes, net loss, net loss per share, net cash from operating activities or any other measures derived in accordance with GAAP. Some of these limitations are:

- EBITDA and Adjusted EBITDA eliminate the impact of the provision for income taxes on our results of operations, and they do not reflect goodwill impairment, interest income, interest expense or other income, net;

- Adjusted EBITDA does not reflect restructuring costs. Restructuring costs may include certain lease impairment costs, certain losses related to early lease terminations, and severance;

- Adjusted EBITDA does not reflect significant acquisition, integration, and transformation costs. Acquisition, integration and transformation costs include investment banking, financing, legal, accounting, consultancy, integration, fair value changes related to contingent consideration and certain other transaction costs related to mergers and acquisitions. It also includes costs related to certain business transformation initiatives focused on integrating and optimizing various operations and systems, including upgrading our customer relationship management ("CRM") and enterprise resource planning ("ERP") systems. These transformation cost adjustments made to our results do not represent normal, recurring, operating expenses necessary to operate the business but rather, incremental costs incurred in connection with our acquisition and integration activities; and

- Adjusted EBITDA does not reflect the significant non-cash stock compensation expense which should be viewed as a component of recurring operating costs.

In addition, although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and both EBITDA and Adjusted EBITDA do not reflect any expenditures for such replacements.

We compensate for these limitations by using these non-GAAP measures along with other comparative tools, together with GAAP measurements, to assist in the evaluation of operating performance. Such GAAP measurements include net loss, net loss per share, net cash provided by operating activities, and other performance measures.

In evaluating these financial measures, you should be aware that in the future we may incur expenses similar to those eliminated in this presentation. Our presentation of these non-GAAP measures should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items.

Condensed Consolidated Results of Operations

The following table sets forth our condensed consolidated statements of operations data for the three months ended June 30, 2023 and 2022 and the dollar and percentage change between the respective periods (dollars in thousands except for per share data):

	Three Months Ended June 30,			
	2023	2022		
	$	$	Variance	%
Revenue	652,406	592,379	$ 60,027	10 %
Expenses:				
Cost of revenue (exclusive of depreciation and amortization, which is shown separately below)	190,540	182,470	8,070	4 %
Operating expenses:				
Advertising and marketing	178,756	164,574	14,182	9 %
Sales	53,530	57,930	(4,400)	(8)%
Technology and development	87,309	78,696	8,613	11 %
General and administrative	125,841	112,998	12,843	11 %
Acquisition, integration, and transformation costs	5,080	2,892	2,188	76 %
Restructuring costs	7,530	0	7,530	n/m
Depreciation and amortization	75,465	59,371	16,094	27 %
Goodwill impairment	0	3,030,000	(3,030,000)	n/m
Total expenses	724,051	3,688,931	(2,964,880)	(80)%
Loss from operations	(71,645)	(3,096,552)	3,024,907	98 %
Interest income	(11,558)	(1,225)	(10,333)	n/m
Interest expense	5,835	5,562	273	(5)%
Other expense (income), net	207	1,760	(1,553)	n/m
Loss before provision for income taxes	(66,129)	(3,102,649)	3,036,520	98 %
Provision for income taxes	(952)	(1,188)	236	(20)%
Net loss	$ (65,177)	$ (3,101,461)	$ 3,036,284	98 %
Net loss per share, basic and diluted	$ (0.40)	$ (19.22)	$ 18.82	98 %
EBITDA (1)	$ 3,820	$ (7,181)	$ 11,001	153 %
Adjusted EBITDA (1)	$ 72,155	$ 46,711	$ 25,444	54 %

n/m – not meaningful
(1) Non-GAAP Financial Measures

The following table sets forth our condensed consolidated statements of operations data for the six months ended June 30, 2023 and 2022 and the dollar and percentage change between the respective periods (dollars in thousands except for per share data):

	Six Months Ended June 30,			
	2023	2022		
	$	$	Variance	%
Revenue	$ 1,281,650	$ 1,157,729	$ 123,921	11 %
Expenses:				
Cost of revenue (exclusive of depreciation and amortization, which is shown separately below)	380,647	369,495	11,152	3 %
Operating expenses:				
Advertising and marketing	355,546	298,174	57,372	19 %
Sales	108,020	116,259	(8,239)	(7)%
Technology and development	174,294	166,108	8,186	5 %
General and administrative	239,986	217,921	22,065	10 %
Acquisition, integration, and transformation costs	11,024	7,399	3,625	49 %
Restructuring costs	15,632	0	15,632	n/m
Depreciation and amortization	145,248	118,304	26,944	23 %
Goodwill impairment	0	9,630,000	(9,630,000)	n/m
Total expenses	1,430,397	10,923,660	(9,493,263)	(87)%
Loss from operations	(148,747)	(9,765,931)	9,617,184	98 %
Interest income	(20,469)	(1,389)	(19,080)	n/m
Interest expense	11,098	11,206	(108)	1 %
Other expense (income), net	(4,700)	1,036	(5,736)	n/m
Loss before provision for income taxes	(134,676)	(9,776,784)	9,642,108	99 %
Provision for income taxes	(271)	(800)	529	(66)%
Net loss	$ (134,405)	$ (9,775,984)	$ 9,641,579	99 %
Net loss per share, basic and diluted	$ (0.82)	$ (60.72)	$ 59.90	99 %
EBITDA (1)	$ (3,499)	$ (17,627)	$ 14,128	80 %
Adjusted EBITDA (1)	$ 124,920	$ 101,208	$ 23,712	23 %

n/m – not meaningful

(1) Non-GAAP Financial Measures

The following is a reconciliation of net loss, the most directly comparable GAAP financial measure, to EBITDA and Adjusted EBITDA for the three and six months ended June 30, 2023 and 2022 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net loss	$ (65,177)	$ (3,101,461)	$ (134,405)	$ (9,775,984)
Add:				
Goodwill impairment	0	3,030,000	0	9,630,000
Interest income	(11,558)	(1,225)	(20,469)	(1,389)
Interest expense	5,835	5,562	11,098	11,206
Other income, net	207	1,760	(4,700)	1,036
Provision for income taxes	(952)	(1,188)	(271)	(800)
Depreciation and amortization	75,465	59,371	145,248	118,304
EBITDA	3,820	(7,181)	(3,499)	(17,627)
Stock-based compensation	55,725	51,000	101,763	111,436
Acquisition, integration, and transformation costs	5,080	2,892	11,024	7,399
Restructuring costs	7,530	0	15,632	0
Adjusted EBITDA	$ 72,155	$ 46,711	$ 124,920	$ 101,208
Teladoc Health Integrated Care	$ 37,968	$ 29,320	$ 73,095	$ 52,587
BetterHelp	34,187	20,022	51,825	50,120
Other	0	(2,631)	0	(1,499)
Adjusted EBITDA	$ 72,155	$ 46,711	$ 124,920	$ 101,208

Revenue. Total revenue was $652.4 million for the three months ended June 30, 2023, compared to $592.4 million during the three months ended June 30, 2022, an increase of $60.0 million, or 10%. This increase in revenue was driven substantially by the generation of additional access fees by our membership base, most significantly from our BetterHelp segment. Total access fees were $575.7 million for the three months ended June 30, 2023 compared to $518.7 million for the three months ended June 30, 2022, an increase of $56.9 million, or 11%. Other revenue, which predominately includes visit fees and, to a lesser extent, revenue from the sales of our telehealth solutions for hospitals and health systems, was $76.7 million for the three months ended June 30, 2023 compared to $73.6 million for the three months ended June 30, 2022, an increase of $3.1 million, or 4%. For the three months ended June 30, 2023, 88% of our revenue was derived from access fees and 12% was derived from other revenue, consistent with the three months ended June 30, 2022. By geography, U.S. revenue grew 8% to $561.8 million and International revenue grew 28% to $90.6 million compared to the three months ended June 30, 2022.

For the six months ended June 30, 2023, the increase of total revenue was 11%, growing to $1,281.7 million compared to $1,157.7 million for the six months ended June 30, 2022. This growth was driven substantially by the generation of additional access fees by our membership base, most significantly from our BetterHelp segment. Revenue from access fees was $1,126.5 million for the six months ended June 30, 2023 compared to $1,010.1 million for the six months ended June 30, 2022, an increase of $116.5 million, or 12%. Other revenue was $155.1 million for the six months ended June 30, 2023 compared to $147.7 million for the six months ended June 30, 2022, an increase of $7.5 million, or 5%. For the six months ended June 30, 2023, 88% of our revenue was derived from access fees and 12% of was derived from other revenue, as compared to 87% and 13%, respectively, for the six months ended June 30, 2022. By geography, U.S. revenue grew 9% to $1,103.4 million and International revenue grew 23% to $178.2 million compared to the six months ended June 30, 2022.

Cost of Revenue (exclusive of depreciation and amortization, which is shown separately below). Cost of revenue was $190.5 million for the three months ended June 30, 2023 compared to $182.5 million for the three months ended June 30, 2022, an increase of $8.1 million, or 4%. The increase for the quarter was primarily due to growth in revenue during the period, partially offset by lower consultation costs, reflecting various operation optimization efforts to reduce provider costs and lower amortization of devices. On a year-to-date basis, cost of revenue increased by $11.2 million, or 3%, to $380.6 million. The increase was primarily due to growth in revenue during the period, partially offset by lower consultation costs, reflecting various operation optimization efforts to reduce provider costs, overall product mix, and lower amortization of device costs.

Advertising and Marketing Expenses. Advertising and marketing expenses were $178.8 million for the three months ended June 30, 2023 compared to $164.6 million for the three months ended June 30, 2022, an increase of $14.2 million, or 9%, driven substantially by higher digital and media advertising costs related to BetterHelp. On a year-to-date basis, advertising and marketing expenses increased by $57.4 million, or 19%, to $355.5 million. The increase was substantially driven by higher digital and media advertising costs related to BetterHelp.

Sales Expenses. Sales expenses were $53.5 million for the three months ended June 30, 2023 compared to $57.9 million for the three months ended June 30, 2022, a decrease of $4.4 million, or 8%. The decrease was primarily driven by lower employee compensation and commission costs. On a year-to-date basis, sales expenses decreased by $8.2 million, or 7%, to $108.0 million. The decrease was primarily driven by lower employee compensation and commission costs, partially offset by higher costs related to sales conferences and events.

Technology and Development Expenses. Technology and development expenses were $87.3 million for the three months ended June 30, 2023 compared to $78.7 million for the three months ended June 30, 2022, an increase of $8.6 million, or 11%. The increase reflects higher employee compensation costs and higher infrastructure, hosting, and software license costs associated with running operations. On a year-to-date basis, technology and development expenses increased by $8.2 million, or 5%, to $174.3 million. The increase was driven by higher infrastructure, hosting and software license costs associated with running operations and ongoing projects and services to continuously improve and optimize our products and services, as well as higher employee compensation costs, partially offset by lower professional fees. For the three months ended June 30, 2023 and 2022, research and development costs, which exclude amounts reflected as capitalized software, were $33.2 million and $24.5 million, respectively. For the six months ended June 30, 2023 and 2022, research and development costs were $63.6 million and $51.5 million, respectively.

General and Administrative Expenses. General and administrative expenses increased $12.8 million, or 11%, to $125.8 million for the three months ended June 30, 2023 compared to $113.0 million for the three months ended June 30, 2022. On a year-to-date basis, general and administrative expenses increased $22.1 million, or 10%, to $240.0 million. The increases for both periods were driven by higher employee compensation costs, other non-income taxes, bad debt reserves, call center expense, and bank charges, partially offset by lower legal costs, other professional fees, occupancy costs and therapist onboarding costs.

Acquisition, Integration, and Transformation Costs. Acquisition, integration, and transformation costs were $5.1 million and $11.0 million for the three and six months ended June 30, 2023, respectively, and primarily consisted of costs to integrate and upgrade our CRM and ERP ecosystem. For the three and six months ended June 30, 2022, acquisition, integration, and transformation costs were $2.9 million and $7.4 million, respectively, and primarily consisted of costs to integrate and upgrade our CRM and ERP ecosystem.

Restructuring Costs. Restructuring costs for the three and six months ended June 30, 2023 were $7.5 million and $15.6 million, respectively, and primarily consisted of losses related to the reduction of office space and severance. The recognition of restructuring charges has been substantially completed as of June 30, 2023.

Depreciation and Amortization.

The following tables show depreciation and amortization broken down by components for the periods indicated:

	Three Months Ended June 30,			Six Months Ended June 30,		
	2023	2022	%	2023	2022	%
Depreciation	$ 2,954	$ 2,675	10 %	$ 5,878	$ 5,001	18 %
Acquired intangibles	52,762	49,718	6 %	103,048	99,649	3 %
Capitalized software	19,749	6,976	183 %	36,322	13,652	166 %
Total	$ 75,465	$ 59,369	27 %	$ 145,248	$ 118,302	23 %

Depreciation and amortization increased 27% for the three months ended June 30, 2023 and increased 23% for the six months ended June 30, 2023, both compared to the prior year periods. The higher amortization is associated with higher capitalized software development costs.

Goodwill Impairment. We did not record a goodwill impairment charge for either the three or six months ended June 30, 2023. In the prior year, we recorded non-cash goodwill impairment charges of $3,030.0 million and $9,630.0 million for the three and six months ended June 30, 2022, respectively, following goodwill impairment testing

performed as a result of sustained decreases in our publicly quoted share price. The non-cash charge had no impact on the provision for income taxes.

Interest Income. Interest income consisted of interest earned on cash and cash equivalents. Interest income was $11.6 million for the three months ended June 30, 2023 compared to $1.2 million for the three months ended June 30, 2022. Interest income was $20.5 million for the six months ended June 30, 2023 compared to $1.4 million for the six months ended June 30, 2022. The increases for both three and six months periods were primarily driven by higher interest rate yields and, to a lesser extent, an increase in cash and cash equivalent balances.

Interest Expense. Interest expense consisted of interest costs and the amortization of debt discounts primarily associated with the convertible senior notes. Interest expense was $5.8 million for the three months ended June 30, 2023 compared to $5.6 million for the three months ended June 30, 2022. Interest expense was $11.1 million and $11.2 million for the six months ended June 30, 2023 and 2022, respectively.

Other Income, net. Other income, net was an expense of $0.2 million for the three months ended June 30, 2023 compared to an expense of $1.8 million for the three months ended June 30, 2022, primarily reflecting losses on foreign currency exchange rate fluctuations. Other income, net was an income of $4.7 million for the six months ended June 30, 2023 compared to an expense of $1.0 million for the six months ended June 30, 2022, primarily reflecting a gain on the partial sale of a business.

Provision for Income Taxes. We recorded income tax benefits of $1.0 million for the three months ended June 30, 2023 compared to a benefit of $1.2 million for the three months ended June 30, 2022 and $0.3 million for the six months ended June 30, 2023 compared to $0.8 million for the six months ended June 30, 2022.

Segment Information

The following tables set forth the results of operations for the relevant segments for the three and six months ended June 30, 2023 and 2022 (dollars in thousands):

	Three Months Ended June 30,			
Teladoc Health Integrated Care	**2023**	**2022**	**Variance**	**%**
Revenue	$ 360,050	$ 341,599	$ 18,451	5 %
Adjusted EBITDA	$ 37,968	$ 29,320	$ 8,648	29 %
Adjusted EBITDA Margin %	10.5 %	8.6 %	196 bps	

	Six Months Ended June 30,			
Teladoc Health Integrated Care	**2023**	**2022**	**Variance**	**%**
Revenue	$ 710,022	$ 673,983	$ 36,039	5 %
Adjusted EBITDA	$ 73,095	$ 52,587	$ 20,508	39 %
Adjusted EBITDA Margin %	10.3 %	7.8 %	249 bps	

Integrated Care total revenues increased by $18.5 million, or 5%, to $360.1 million for the three months ended June 30, 2023 on higher chronic care enrollment and adoption, as well as higher telemedicine product revenue, including higher revenues from our Primary360 offering. Integrated Care total revenues increased by $36.0 million, or 5%, to $710.0 million for the six months ended June 30, 2023 on higher chronic care enrollment and adoption, as well as higher telemedicine product revenue, including higher revenues from our Primary360 offering.

Integrated Care Adjusted EBITDA increased by $8.6 million, or 29%, to $38.0 million for the three months ended June 30, 2023, primarily reflecting higher gross profit as well as lower advertising and marketing and sales expenses, partially offset by higher general administrative and technology and development expenses. Integrated Care Adjusted EBITDA increased by $20.5 million, or 39%, to $73.1 million for the six months ended June 30, 2023, primarily reflecting higher gross profit, partially offset by higher general administrative and technology and development expenses.

BetterHelp	Three Months Ended June 30, 2023	2022	Variance	%
Therapy Services	$ 288,288	$ 245,754	$ 42,534	17 %
Other Wellness Services	4,068	1,560	2,508	161 %
Total Revenue	$ 292,356	$ 247,314	$ 45,042	18 %
Adjusted EBITDA	$ 34,187	$ 20,022	$ 14,165	71 %
Adjusted EBITDA Margin %	11.7 %	8.1 %	360bps	

BetterHelp	Six Months Ended June 30, 2023	2022	Variance	%
Therapy Services	$ 564,216	$ 474,871	$ 89,345	19 %
Other Wellness Services	7,412	2,617	4,795	183 %
Total Revenue	$ 571,628	$ 477,488	$ 94,140	20 %
Adjusted EBITDA	$ 51,825	$ 50,120	$ 1,705	3 %
Adjusted EBITDA Margin %	9.1 %	10.5 %	(143)bps	

BetterHelp total revenues increased by $45.0 million, or 18%, to $292.4 million for the three months ended June 30, 2023, primarily driven by a 17% increase in average monthly paying users. BetterHelp total revenues increased by $94.1 million, or 20%, to $571.6 million for the six months ended June 30, 2023, driven by a 19% increase in average monthly paying users.

BetterHelp Adjusted EBITDA increased by $14.2 million, or 71%, to $34.2 million for the three months ended June 30, 2023, primarily reflecting higher gross profit, partially offset by higher advertising and marketing and, to a lesser extent, higher general and administrative expenses. BetterHelp Adjusted EBITDA increased by $1.7 million, or 3%, to $51.8 million for the six months ended June 30, 2023, primarily reflecting higher gross profit, partially offset by higher advertising and marketing and, to a lesser extent, higher general and administrative, and technology and development expenses.

Liquidity and Capital Resources

The following table presents a summary of our cash flow activity for the periods set forth below (in thousands):

Consolidated Statements of Cash Flows - Summary	Six Months Ended June 30, 2023	2022
Net cash provided by operating activities	114,338	60,722
Net cash used in investing activities	(82,194)	(72,404)
Net cash provided by financing activities	7,561	1,482
Foreign exchange difference	808	(2,119)
Total increase (decrease) in cash and cash equivalents	$ 40,513	$ (12,319)

Our principal sources of liquidity are cash and cash equivalents, which totaled $958.7 million as of June 30, 2023.

We believe that our existing cash and cash equivalents will be sufficient to meet our working capital, capital expenditure, and contractual obligation needs for at least the next 12 months. Our future capital requirements will depend on many factors including our growth rate, contract renewal activity, number of visits, the timing and extent of spending to support product development efforts, our expansion of sales and marketing activities, the introduction of new and enhanced services offerings, the continuing market acceptance of telehealth, and our debt service obligations. We may in the future enter into arrangements to acquire or invest in complementary businesses, services, technologies, and intellectual property rights. We may be required to seek additional equity or debt financing to fund working capital, capital expenditures and acquisitions, and to settle debt obligations. In the event that additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us or at all, which would adversely affect our business, financial condition and results of operations.

Historically, we have financed our operations primarily through sales of equity securities, debt issuance, and bank borrowings.

See Note 10. “Convertible Senior Notes” of the notes to the condensed consolidated financial statements for additional information on our convertible senior notes.

We routinely enter into contractual obligations with third parties to provide professional services, licensing, and other products and services in support of our ongoing business. The current estimated cost of these contracts is not expected to be significant to our liquidity and capital resources based on contracts in place as of June 30, 2023.

Cash from Operating Activities

Cash flows provided by operating activities consisted of net loss adjusted for certain non-cash items and changes in assets and liabilities. Net cash provided by operating activities was $114.3 million for the six months ended June 30, 2023 compared to net cash provided by operating activities of $60.7 million for the six months ended June 30, 2022. The year-over-year improvement was primarily driven by growth in the business as well as lower incentive compensation payments, higher indirect tax refunds, and higher interest income.

The primary uses of cash from operating activities are for the payment of cash compensation, provider fees, engagement marketing, direct-to-consumer digital and media advertising, inventory, insurance, technology costs, interest expense and acquisition, integration, and transformation costs. Historically, cash compensation is at its highest level in the first quarter when discretionary employee compensation related to the previous fiscal year is paid.

Cash from Investing Activities

Cash used in investing activities was $82.2 million for the six months ended June 30, 2023, and $72.4 million for the six months ended June 30, 2022. Amounts for both periods primarily relate to payments for capitalized software development costs associated with ongoing projects and services to continuously improve and optimize our products and services.

Cash from Financing Activities

Cash provided by financing activities for the six months ended June 30, 2023 was $7.6 million and $1.5 million for the six months ended June 30, 2022. The six months ended June 30, 2022 was negatively affected by certain miscellaneous cash outflows that were not present in the current year-to-date period.

The following is a reconciliation of net cash provided by operating activities to free cash flow (in thousands, unaudited):

	Six Months Ended June 30,	
	2023	2022
Net cash provided by operating activities	$ 114,338	$ 60,722
Capital expenditures	(4,267)	(6,455)
Capitalized software	(77,927)	(69,213)
Free Cash Flow	$ 32,144	$ (14,946)

Free cash flow was a positive $32.1 million for the six months ended June 30, 2023, compared to a negative $14.9 million for the six months ended June 30, 2022. The year-over-year increase was substantially driven by growth in the business, lower incentive compensation payments, lower inventory purchases, higher indirect tax refunds, and higher interest income, partially offset by higher capitalized software costs.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk and Foreign Exchange Risk

Cash equivalents that are subject to interest rate volatility represent our principal market risk. We do not expect cash flows to be affected to any significant degree by a sudden change in market interest rates as our convertible senior notes bear fixed interest rates. We do not enter into investments for trading or speculative purposes.

We operate our business primarily within the U.S. which accounts for approximately 86% of our revenues. We have not utilized hedging strategies with respect to our foreign exchange exposure as we believe it is not expected to have a material impact on our condensed consolidated financial statements.

Concentrations of Risk and Significant Clients

Our financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. We deposit our cash with financial institutions in the U.S. and in foreign countries, however, our deposits, at times, may exceed federally insured limits. Our cash equivalents are primarily invested in institutional money market funds.

No Client represented over 10% of revenues for the three or six months ended June 30, 2023 or 2022.

No Client represented over 10% of accounts receivable at June 30, 2023 or December 31, 2022.

Item 4. Controls and Procedures

Management's Report on Internal Control over Financial Reporting

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated, as of the end of the period covered by this Quarterly Report on Form 10-Q, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that as of June 30, 2023, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

During 2022, we implemented a new ERP system for selected entities and transaction types included within our consolidated financial statements. During the three months ended June 30, 2023, we implemented this ERP system for additional entities. As a result of these ERP system implementations, we revised certain existing internal controls, processes, and procedures. There are inherent risks in implementing an ERP system and, accordingly, we will continue to evaluate the design and operating effectiveness of these controls.

Other than these ERP system implementations, there were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended June 30, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

We are subject to legal proceedings, claims and litigation arising in the ordinary course of our business. Descriptions of certain legal proceedings to which we are a party are contained in Note 15. “Legal Matters”, to our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q and are incorporated by reference herein.

Item 1A. Risk Factors

For a discussion of potential risks and uncertainties related to our Company see the information in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022. There have been no material changes to the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022.

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the factors discussed in the “Special Note Regarding Forward-Looking Statements” section in Part I, Item 2, of this Quarterly Report on Form 10-Q.

Item 5. Other Information

During the three months ended June 30, 2023, none of our directors or officers (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933).

Item 6. Exhibits

Exhibit Index

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Seventh Amended and Restated Certificate of Incorporation of Teladoc Health, Inc.	8-K	001-37477	3.1	6/2/22	
3.2	Sixth Amended and Restated Bylaws of Teladoc Health, Inc.	8-K	001-37477	3.2	6/2/22	
10.1	Teladoc Health, Inc. 2023 Incentive Award Plan.	8-K	001-37477	10.1	5/30/23	
10.2	Form of Stock Option Agreement under the Teladoc Health, Inc. 2023 Incentive Award Plan.					*
10.3	Form of Restricted Stock Agreement under the Teladoc Health, Inc. 2023 Incentive Award Plan.					*
10.4	Form of Restricted Stock Unit Agreement under the Teladoc Health, Inc. 2023 Incentive Award Plan.					*
10.5	Form of Performance Restricted Stock Unit Agreement under the Teladoc Health, Inc. 2023 Incentive Award Plan.					*
10.6	Second Amendment to Teladoc Health, Inc. Amended and Restated Employee Stock Purchase Plan.	8-K	001-37477	10.2	5/30/23	
10.7	Teladoc Health, Inc. Level 14 Severance Plan.	8-K	001-37477	10.3	5/30/23	
10.8	Amendment No. 1 to Executive Severance Agreement, dated June 9, 2023, by and between Teladoc Health, Inc. and Daniel Trencher.					*
10.9	Amendment No. 2 to Executive Severance Agreement, dated June 9, 2023, by and between Teladoc Health, Inc. and Andrew Turitz.					*
31.1	Chief Executive Officer—Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					*
31.2	Chief Financial Officer—Certification pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					*
32.1	Chief Executive Officer—Certification pursuant to Rule13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					**

32.2	Chief Financial Officer—Certification pursuant to Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	**
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	*
101.SCH	XBRL Taxonomy Extension Schema Document.	*
101.CAL	XBRL Taxonomy Calculation Linkbase Document.	*
101.DEF	XBRL Definition Linkbase Document.	*
101.LAB	XBRL Taxonomy Label Linkbase Document.	*
101.PRE	XBRL Taxonomy Presentation Linkbase Document.	*
104	Cover Page Interactive Data File – The Cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	

* Filed herewith.
** Furnished herewith.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TELADOC HEALTH, INC.

Date: July 28, 2023	By:	/s/ JASON GOREVIC
	Name:	Jason Gorevic
	Title:	Chief Executive Officer
Date: July 28, 2023	By:	/s/ MALA MURTHY
	Name:	Mala Murthy
	Title:	Chief Financial Officer

TELADOC HEALTH, INC.
2023 INCENTIVE AWARD PLAN

STOCK OPTION GRANT NOTICE

Capitalized terms not specifically defined in this Stock Option Grant Notice (the "***Grant Notice***") have the meanings given to them in the 2023 Incentive Award Plan (as amended from time to time, the "***Plan***") of Teladoc Health, Inc. (the "***Company***").

The Company hereby grants to the participant listed below ("***Participant***") the stock option described in this Grant Notice (the "***Option***"), subject to the terms and conditions of the Plan and the Stock Option Agreement attached hereto as **Exhibit A** (the "***Agreement***"), both of which are incorporated into this Grant Notice by reference.

Participant:

Grant Date:

Exercise Price per Share:

Shares Subject to the Option:

Final Expiration Date:

Vesting Commencement Date:

Vesting Schedule:

Type of Option

☐ Incentive Stock Option ☐ Non-Qualified Stock Option

By Participant's signature below, Participant agrees to be bound by the terms of this Grant Notice, the Plan and the Agreement. Participant has reviewed the Plan, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, this Grant Notice or the Agreement.

TELADOC HEALTH, INC.	**PARTICIPANT**
By:	By:
Print Name:	Print Name:
Title:	

STOCK OPTION AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the Plan.

ARTICLE I.
GENERAL

1.1 Grant of Option. Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to Participant the Option effective as of the grant date set forth in the Grant Notice (the "***Grant Date***").

1.2 Incorporation of Terms of Plan. The Option is subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan will control.

ARTICLE II.
PERIOD OF EXERCISABILITY

2.1 Commencement of Exercisability. The Option will vest and become exercisable according to the vesting schedule in the Grant Notice (the "***Vesting Schedule***") except that any fraction of a Share as to which the Option would be vested or exercisable will be accumulated and will vest and become exercisable only when a whole Share has accumulated. Notwithstanding anything in the Grant Notice, the Plan or this Agreement to the contrary, unless the Administrator otherwise determines, the Option will immediately expire and be forfeited as to any portion that is not vested and exercisable as of Participant's Termination of Service for any reason.

2.2 Duration of Exercisability. The Vesting Schedule is cumulative. Any portion of the Option which vests and becomes exercisable will remain vested and exercisable until the Option expires. The Option will be forfeited immediately upon its expiration.

2.3 Expiration of Option. The Option may not be exercised to any extent by anyone after, and will expire on, the first of the following to occur:

(a) The final expiration date in the Grant Notice;

(b) Except as the Administrator may otherwise approve, the expiration of three (3) months from the date of Participant's Termination of Service, unless Participant's Termination of Service is for Cause or by reason of Participant's death or Disability;

(c) Except as the Administrator may otherwise approve, the expiration of one (1) year from the date of Participant's Termination of Service by reason of Participant's death or Disability; and

(d) Except as the Administrator may otherwise approve, Participant's Termination of Service for Cause.

2.4 Relevant Definitions.

(a) As used in this Agreement, "***Cause***" means (i) if Participant is a party to a written employment or consulting agreement with the Company or its Subsidiary in which the term "cause" (or a term of like import) is defined, "Cause" as defined in such agreement, and (ii) if no such agreement exists (or the absence of any definition of "cause" or a term of like import contained therein), (A) the Administrator's determination that Participant failed to substantially perform Participant's duties (other than a failure resulting from Participant's Disability); (B) the Administrator's determination that Participant failed to carry out, or comply with any lawful and reasonable directive of the Board or Participant's immediate supervisor; (C) Participant's conviction, plea of no contest, plea of nolo contendere, or imposition of unadjudicated probation for any felony or indictable offense or crime

involving moral turpitude; (D) Participant's unlawful use (including being under the influence) or possession of illegal drugs on the premises of the Company or any of its Subsidiaries or while performing Participant's duties and responsibilities for the Company or any of its Subsidiaries; or (E) Participant's commission of an act of fraud, embezzlement, misappropriation, misconduct, or breach of fiduciary duty against the Company or any of its Subsidiaries.

(b) As used in this Agreement, "***Disability***" means (i) if Participant is a party to a written employment or consulting agreement with the Company or its Subsidiary in which the term "disability" (or a term of like import) is defined, "Disability" as defined in such agreement, and (ii) if no such agreement exists (or the absence of any definition of "disability" or a term of like import contained therein), a "permanent and total disability" (within the meaning of Section 22(e)(3) of the Code).

ARTICLE III.
EXERCISE OF OPTION

3.1 Person Eligible to Exercise. During Participant's lifetime, only Participant may exercise the Option. After Participant's death, any exercisable portion of the Option may, prior to the time the Option expires, be exercised by Participant's Designated Beneficiary as provided in the Plan.

3.2 Partial Exercise. Any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised, in whole or in part, according to the procedures in the Plan at any time prior to the time the Option or portion thereof expires, except that the Option may only be exercised for whole Shares.

3.3 Tax Withholding.

(a) The Company has the right and option, but not the obligation, to treat Participant's failure to provide timely payment in accordance with the Plan of any withholding tax arising in connection with the Option as Participant's election to satisfy all or any portion of the withholding tax by requesting the Company retain Shares otherwise issuable under the Option.

(b) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the Option, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the Option. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or exercise of the Option or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the Option to reduce or eliminate Participant's tax liability.

ARTICLE IV.
OTHER PROVISIONS

4.1 Adjustments. Participant acknowledges that the Option is subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan.

4.2 Notices. Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address or facsimile number. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant (or, if Participant is then deceased, to the person entitled to exercise the Option) at Participant's last known mailing address, email address or facsimile number in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given when actually received, when sent by email, when sent by certified mail (return receipt requested) and deposited with postage prepaid in a post office or branch post office regularly maintained by the United States Postal Service, when delivered by a nationally recognized express shipping company or upon receipt of a facsimile transmission confirmation.

4.3 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

4.4 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws.

4.5 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the Plan, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.6 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Grant Notice, this Agreement and the Option will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

4.7 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

4.8 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.9 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Option, and rights no greater than the right to receive the Shares as a general unsecured creditor with respect to the Option, as and when exercised pursuant to the terms hereof.

4.10 Not a Contract of Employment. Nothing in the Plan, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without Cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

4.11 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which will be deemed an original and all of which together will constitute one instrument.

4.12 Incentive Stock Options. If the Option is designated as an Incentive Stock Option:

(a) Participant acknowledges that to the extent the aggregate fair market value of shares (determined as of the time the option with respect to the shares is granted) with respect to which stock options intended to qualify as "incentive stock options" under Section 422 of the Code, including the Option, are exercisable for the first time by Participant during any calendar year exceeds $100,000 or if for any other reason such stock options do not qualify or cease to qualify for treatment as "incentive stock options" under Section 422 of the Code, such stock options (including the Option) will be treated as non-qualified stock options. Participant further acknowledges that the rule set forth in the preceding sentence will be applied by taking the Option and other stock options into account in the order in which they were

granted, as determined under Section 422(d) of the Code. Participant also acknowledges that if the Option is exercised more than three (3) months after Participant's Termination of Service, other than by reason of death or disability, the Option will be taxed as a Non-Qualified Stock Option.

(b) Participant will give prompt written notice to the Company of any disposition or other transfer of any Shares acquired under this Agreement if such disposition or other transfer is made (a) within two (2) years from the Grant Date or (b) within one (1) year after the transfer of such Shares to Participant. Such notice will specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by Participant in such disposition or other transfer.

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TELADOC HEALTH, INC.
2023 INCENTIVE AWARD PLAN

RESTRICTED STOCK GRANT NOTICE

Capitalized terms not specifically defined in this Restricted Stock Grant Notice (the "***Grant Notice***") have the meanings given to them in the 2023 Incentive Award Plan (as amended from time to time, the "***Plan***") of Teladoc Health, Inc. (the "***Company***").

The Company has granted to the participant listed below ("***Participant***") the shares of Restricted Stock described in this Grant Notice (the "***Restricted Shares***"), subject to the terms and conditions of the Plan and the Restricted Stock Agreement attached as **Exhibit A** (the "***Agreement***"), both of which are incorporated into this Grant Notice by reference.

Participant:

Grant Date:

Number of Restricted Shares:

Vesting Commencement Date:

Vesting Schedule:

By Participant's signature below, Participant agrees to be bound by the terms of this Grant Notice, the Plan and the Agreement. Participant has reviewed the Plan, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, this Grant Notice or the Agreement.

TELADOC HEALTH, INC.

By:

Print Name:

Title:

PARTICIPANT

By:

Print Name:

RESTRICTED STOCK AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the Plan.

ARTICLE I.
GENERAL

1.1 Issuance of Restricted Shares. The Company will issue the Restricted Shares to the Participant effective as of the grant date set forth in the Grant Notice and will cause (a) a stock certificate or certificates representing the Restricted Shares to be registered in Participant's name or (b) the Restricted Shares to be held in book-entry form. If a stock certificate is issued, the certificate will be delivered to, and held in accordance with this Agreement by, the Company or its authorized representatives and will bear the restrictive legends required by this Agreement. If the Restricted Shares are held in book-entry form, then the book-entry will indicate that the Restricted Shares are subject to the restrictions of this Agreement.

1.2 Incorporation of Terms of Plan. The Restricted Shares are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan will control.

ARTICLE II.
VESTING, FORFEITURE AND ESCROW

2.1 Vesting. The Restricted Shares will become vested Shares (the "***Vested Shares***") according to the vesting schedule in the Grant Notice except that any fraction of a Share that would otherwise become a Vested Share will be accumulated and will become a Vested Share only when a whole Vested Share has accumulated.

2.2 Forfeiture. In the event of Participant's Termination of Service for any reason, Participant will immediately and automatically forfeit to the Company any Shares that are not Vested Shares (the "***Unvested Shares***") at the time of Participant's Termination of Service, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company. Upon forfeiture of Unvested Shares, the Company will become the legal and beneficial owner of the Unvested Shares and all related interests and Participant will have no further rights with respect to the Unvested Shares.

2.3 Escrow.

(a) Unvested Shares will be held by the Company or its authorized representatives until (i) they are forfeited, (ii) they become Vested Shares or (iii) this Agreement is no longer in effect. By accepting this Award, Participant appoints the Company and its authorized representatives as Participant's attorney(s)-in-fact to take all actions necessary to effect any transfer of forfeited Unvested Shares (and Retained Distributions (as defined below), if any, paid on such forfeited Unvested Shares) to the Company as may be required pursuant to the Plan or this Agreement and to execute such representations or other documents or assurances as the Company or such representatives deem necessary or advisable in connection with any such transfer. The Company, or its authorized representative, will not be liable for any good faith act or omission with respect to the holding in escrow or transfer of the Restricted Shares.

(b) All cash dividends and other distributions made or declared with respect to Unvested Shares ("***Retained Distributions***") will be held by the Company until the time (if ever) when the Unvested Shares to which such Retained Distributions relate become Vested Shares. The Company will establish a separate Retained Distribution bookkeeping account ("***Retained Distribution Account***") for each Unvested Share with respect to which Retained Distributions have been made or declared in cash and credit the Retained Distribution Account (without interest) on the date of payment with the amount of such cash made or declared with respect to the Unvested Share. Retained Distributions (including any

Retained Distribution Account balance) will immediately and automatically be forfeited upon forfeiture of the Unvested Share with respect to which the Retained Distributions were paid or declared.

(c) As soon as reasonably practicable following the date on which an Unvested Share becomes a Vested Share, the Company will (i) cause the certificate (or a new certificate without the legend required by this Agreement, if Participant so requests) representing the Share to be delivered to Participant or, if the Share is held in book-entry form, cause the notations indicating the Share is subject to the restrictions of this Agreement to be removed and (ii) pay to Participant the Retained Distributions relating to the Share.

2.4 Rights as Stockholder. Except as otherwise provided in this Agreement or the Plan, upon issuance of the Restricted Shares by the Company, Participant will have all the rights of a stockholder with respect to the Restricted Shares, including the right to vote the Restricted Shares and to receive dividends or other distributions paid or made with respect to the Restricted Shares.

ARTICLE III.
TAXATION AND TAX WITHHOLDING

3.1 Representation. Participant represents to the Company that Participant has reviewed with Participant's own tax advisors the tax consequences of the Restricted Shares and the transactions contemplated by the Grant Notice and this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

3.2 Section 83(b) Election. If Participant makes an election under Section 83(b) of the Code with respect to the Restricted Shares, Participant will deliver a copy of the election to the Company promptly after filing the election with the Internal Revenue Service.

3.3 Tax Withholding.

(a) Notwithstanding anything in the Plan to the contrary, unless the Administrator determines otherwise, any withholding tax obligation that arises with respect to the Restricted Shares or Retained Distributions will be satisfied by the Company's withholding from the Shares issuable under the Restricted Shares or Retained Distributions that are then vesting or being paid, as applicable, the minimum number of whole Shares having a then-current Fair Market Value sufficient to satisfy the withholding obligation based on applicable statutory withholding rates.

(b) If withholding tax obligations are not satisfied as described in Section 3.3(a), the Company has the right and option, but not the obligation, to treat Participant's failure to provide timely payment in accordance with the Plan of any withholding tax arising in connection with the Restricted Shares or Retained Distributions as Participant's election to satisfy all or any portion of the withholding tax by requesting the Company retain Shares otherwise deliverable under the Award.

(c) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the Restricted Shares and the Retained Distributions, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the Restricted Shares or the Retained Distributions. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the Restricted Shares or the Retained Distributions or the subsequent sale of the Restricted Shares or the Retained Distributions. The Company and the Subsidiaries do not commit and are under no obligation to structure this Award to reduce or eliminate Participant's tax liability.

ARTICLE IV.
RESTRICTIVE LEGENDS AND TRANSFERABILITY

4.1 Legends. Any certificate representing a Restricted Share will bear the following legend until the Restricted Share becomes a Vested Share:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO FORFEITURE IN FAVOR OF THE COMPANY AND MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF A RESTRICTED STOCK AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

4.2 Transferability. The Restricted Shares and any Retained Distributions are subject to the restrictions on transfer in the Plan and may not be sold, assigned or transferred in any manner unless and until they become Vested Shares. Any attempted transfer or disposition of Unvested Shares or related Retained Distributions prior to the time the Unvested Shares become Vested Shares will be null and void. The Company will not be required to (a) transfer on its books any Restricted Share that has been sold or otherwise transferred in violation of this Agreement or (b) treat as owner of such Restricted Share or accord the right to vote or pay dividends to any purchaser or other transferee to whom such Restricted Share has been so transferred. The Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, or make appropriate notations to the same effect in its records.

ARTICLE V.
OTHER PROVISIONS

5.1 Adjustments. Participant acknowledges that the Restricted Shares and the Retained Distributions are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan.

5.2 Notices. Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address or facsimile number. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant at Participant's last known mailing address, email address or facsimile number in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given when actually received, when sent by email, when sent by certified mail (return receipt requested) and deposited with postage prepaid in a post office or branch post office regularly maintained by the United States Postal Service, when delivered by a nationally recognized express shipping company or upon receipt of a facsimile transmission confirmation.

5.3 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

5.4 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws.

5.5 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in this Agreement or the Plan, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

5.6 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Grant Notice, this Agreement, the Restricted Shares and the Retained Distributions will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

5.7 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

5.8 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

5.9 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Award.

5.10 Not a Contract of Employment. Nothing in the Plan, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

5.11 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which will be deemed an original and all of which together will constitute one instrument.

Exhibit 10.4

TELADOC HEALTH, INC.
2023 INCENTIVE AWARD PLAN

RESTRICTED STOCK UNIT GRANT NOTICE

Capitalized terms not specifically defined in this Restricted Stock Unit Grant Notice (the "***Grant Notice***") have the meanings given to them in the 2023 Incentive Award Plan (as amended from time to time, the "***Plan***") of Teladoc Health, Inc. (the "***Company***").

The Company hereby grants to the participant listed below ("***Participant***") the Restricted Stock Units described in this Grant Notice (the "***RSUs***"), subject to the terms and conditions of the Plan and the Restricted Stock Unit Agreement attached hereto as **Exhibit A** (the "***Agreement***"), both of which are incorporated into this Grant Notice by reference.

Participant:

Grant Date:

Number of RSUs:

Vesting Commencement Date:

Vesting Schedule:

By Participant's signature below, Participant agrees to be bound by the terms of this Grant Notice, the Plan and the Agreement. Participant has reviewed the Plan, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, this Grant Notice or the Agreement.

TELADOC HEALTH, INC.	**PARTICIPANT**
By:	By:
Print Name:	Print Name:
Title:	

RESTRICTED STOCK UNIT AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the Plan.

ARTICLE I.
GENERAL

1.1 Award of RSUs and Dividend Equivalents.

(a) The Company has granted the RSUs to Participant effective as of the grant date set forth in the Grant Notice (the "***Grant Date***"). Each RSU represents the right to receive one Share or, at the option of the Company, an amount of cash, in either case, as set forth in this Agreement. Participant will have no right to the distribution of any Shares or payment of any cash until the time (if ever) the RSUs have vested.

(b) The Company hereby grants to Participant, with respect to each RSU, a Dividend Equivalent for ordinary cash dividends paid to substantially all holders of outstanding Shares with a record date after the Grant Date and prior to the date the applicable RSU is settled, forfeited or otherwise expires. Each Dividend Equivalent entitles Participant to receive the equivalent value of any such ordinary cash dividends paid on a single Share. The Company will establish a separate Dividend Equivalent bookkeeping account (a "***Dividend Equivalent Account***") for each Dividend Equivalent and credit the Dividend Equivalent Account (without interest) on the applicable dividend payment date with the amount of any such cash paid.

1.2 Incorporation of Terms of Plan. The RSUs are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan will control.

1.3 Unsecured Promise. The RSUs and Dividend Equivalents will at all times prior to settlement represent an unsecured Company obligation payable only from the Company's general assets.

ARTICLE II.
VESTING; FORFEITURE AND SETTLEMENT

2.1 Vesting; Forfeiture. The RSUs will vest according to the vesting schedule in the Grant Notice except that any fraction of an RSU that would otherwise be vested will be accumulated and will vest only when a whole RSU has accumulated. In the event of Participant's Termination of Service for any reason, all unvested RSUs will immediately and automatically be cancelled and forfeited, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company. Dividend Equivalents (including any Dividend Equivalent Account balance) will vest or be forfeited, as applicable, upon the vesting or forfeiture of the RSU with respect to which the Dividend Equivalent (including the Dividend Equivalent Account) relates.

2.2 Settlement.

(a) RSUs and Dividend Equivalents (including any Dividend Equivalent Account balance) will be paid in Shares or cash at the Administrator's option as soon as administratively practicable after the vesting of the applicable RSU, but in no event more than sixty (60) days after the RSU's vesting date. Notwithstanding the foregoing, the Company may delay any payment under this Agreement that the Company reasonably determines would violate Applicable Law until the earliest date the Company reasonably determines the making of the payment will not cause such a violation (in accordance with Treasury Regulation Section 1.409A-2(b)(7)(ii)), provided the Company reasonably believes the delay will not result in the imposition of excise taxes under Section 409A.

(b) If an RSU is paid in cash, the amount of cash paid with respect to the RSU will equal the Fair Market Value of a Share on the day immediately preceding the payment date. If a

Dividend Equivalent is paid in Shares, the number of Shares paid with respect to the Dividend Equivalent will equal the quotient, rounded down to the nearest whole Share, of the Dividend Equivalent Account balance divided by the Fair Market Value of a Share on the day immediately preceding the payment date.

ARTICLE III.
TAXATION AND TAX WITHHOLDING

3.1 Representation. Participant represents to the Company that Participant has reviewed with Participant's own tax advisors the tax consequences of this Award and the transactions contemplated by the Grant Notice and this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

3.2 Tax Withholding.

(a) Notwithstanding anything in the Plan to the contrary, unless the Administrator determines otherwise, any withholding tax obligation that arises with respect to the RSUs or Dividend Equivalents will be satisfied by the Company's withholding from the Shares issuable under the RSUs or Dividend Equivalents that are then vesting or being paid, as applicable, the minimum number of whole Shares having a then-current Fair Market Value sufficient to satisfy the withholding obligation based on applicable statutory withholding rates.

(b) If withholding tax obligations are not satisfied as described in Section 3.2(a), the Company will have the right and option, but not the obligation, to treat Participant's failure to provide timely payment in accordance with the Plan of any withholding tax arising in connection with the RSUs or Dividend Equivalents as Participant's election to satisfy all or any portion of the withholding tax by requesting the Company retain Shares otherwise issuable under the Award.

(c) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs and the Dividend Equivalents, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the RSUs or Dividend Equivalents. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs or the Dividend Equivalents or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the RSUs or Dividend Equivalents to reduce or eliminate Participant's tax liability.

ARTICLE IV.
OTHER PROVISIONS

4.1 Adjustments. Participant acknowledges that the RSUs, the Shares subject to the RSUs and the Dividend Equivalents are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan.

4.2 Notices. Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address or facsimile number. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant at Participant's last known mailing address, email address or facsimile number in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given when actually received, when sent by email, when sent by certified mail (return receipt requested) and deposited with postage prepaid in a post office or branch post office regularly maintained by the United States Postal Service, when delivered by a nationally recognized express shipping company or upon receipt of a facsimile transmission confirmation.

4.3 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

4.4 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws.

4.5 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the Plan, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.6 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Grant Notice, this Agreement, the RSUs and the Dividend Equivalents will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

4.7 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

4.8 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.9 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs and Dividend Equivalents, and rights no greater than the right to receive cash or the Shares as a general unsecured creditor with respect to the RSUs and Dividend Equivalents, as and when settled pursuant to the terms of this Agreement.

4.10 Not a Contract of Employment. Nothing in the Plan, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

4.11 Country Addendum. Notwithstanding any provisions in this Agreement, the RSUs shall be subject to any special terms and conditions set forth in an appendix (if any) to this Agreement for any country whose laws are applicable to Participant and this Award of RSUs (as determined by the Administrator in its sole discretion) (the "***Country Addendum***"). Moreover, if Participant relocates to one of the countries included in the Country Addendum (if any), the special terms and conditions for such country will apply to Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Country Addendum constitutes part of this Agreement.

4.12 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which will be deemed an original and all of which together will constitute one instrument.

* * * * *

TELADOC HEALTH, INC.
2023 INCENTIVE AWARD PLAN

PERFORMANCE RESTRICTED STOCK UNIT GRANT NOTICE

Capitalized terms not specifically defined in this Performance Restricted Stock Unit Grant Notice (the "***Grant Notice***") have the meanings given to them in the 2023 Incentive Award Plan (as amended from time to time, the "***Plan***") of Teladoc Health, Inc. (the "***Company***").

The Company hereby grants to the participant listed below ("***Participant***") the Restricted Stock Units described in this Grant Notice (the "***PSUs***"), subject to the terms and conditions of the Plan and the Performance Restricted Stock Unit Agreement attached hereto as **Exhibit A** (the "***Agreement***"), both of which are incorporated into this Grant Notice by reference.

Participant:	
Grant Date:	
Number of PSUs:	
Performance Period:	
Vesting Schedule:	The PSUs will vest in accordance with the vesting schedule set forth in Exhibit A.

By Participant's signature below, Participant agrees to be bound by the terms of this Grant Notice, the Plan and the Agreement. Participant has reviewed the Plan, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, this Grant Notice or the Agreement.

TELADOC HEALTH, INC.	**PARTICIPANT**
By:	By:
Print Name:	Print Name:
Title:	

PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT

Capitalized terms not specifically defined in this Agreement have the meanings specified in the Grant Notice or, if not defined in the Grant Notice, in the Plan.

ARTICLE I.
GENERAL

1.1 Award of PSUs and Dividend Equivalents.

(a) The Company has granted the PSUs to Participant effective as of the grant date set forth in the Grant Notice (the "***Grant Date***"). The number of PSUs stated in the Grant Notice is the target number of PSUs that may be earned under this Award (the "***Target Number of PSUs***"). The number of PSUs that may actually be earned under this Award ranges from between [_]% and [_]% of the Target Number of PSUs. Each earned PSU represents the right to receive one Share or, at the option of the Administrator, an amount of cash, in either case, as set forth in this Agreement. Participant will have no right to the distribution of any Shares or payment of any cash until the time (if ever) the PSUs have vested.

(b) The Company hereby grants to Participant, with respect to each earned PSU, a Dividend Equivalent for ordinary cash dividends paid to substantially all holders of outstanding Shares with a record date after the Grant Date and prior to the date the applicable PSU is settled, forfeited or otherwise expires. Each Dividend Equivalent entitles Participant to receive the equivalent value of any such ordinary cash dividends paid on a single Share. The Company will establish a separate Dividend Equivalent bookkeeping account (a "***Dividend Equivalent Account***") for each Dividend Equivalent and credit the Dividend Equivalent Account (without interest) on the applicable dividend payment date with the amount of any such cash paid.

1.2 Incorporation of Terms of Plan. The PSUs and Dividend Equivalents are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan will control.

1.3 Unsecured Promise. The PSUs and Dividend Equivalents will at all times prior to settlement represent an unsecured Company obligation payable only from the Company's general assets.

ARTICLE II.
VESTING; FORFEITURE AND SETTLEMENT

2.1 Vesting; Forfeiture.

(a) The PSUs will be earned, if at all, based on the Company's achievement of the [_] performance conditions fixed by the Compensation Committee of the Board of Directors of the Company over the Performance Period set forth in the Grant Notice (the "***Performance Period***"). Within ninety (90) days following completion of the Performance Period, the Administrator will determine, in its sole and absolute discretion, the extent to which the performance conditions have been satisfied (the date of such determination, the "***Determination Date***"). To the extent earned, the PSUs will vest as set forth in Section 2.1(c).

(b) Change in Control. Notwithstanding Section 2.1(a), if a Change in Control occurs on or prior to the last day of the Performance Period, the PSUs will be earned on the date of the Change in Control or an earlier date determined by the Administrator (the date of such determination, the "***CIC Determination Date***") and the number of earned PSUs will equal the greater of (i) 100% of the Target Number of PSUs and (ii) the number of earned PSUs using the Company's expected full period performance based on its then current period-to-date results, in each case, as determined by the Administrator prior to the date of the Change in Control; provided that, if the Administrator does not make such a determination or determines that there is insufficient information to accurately estimate the Company's full period performance, the number of earned PSUs will equal the Target Number of PSUs.

Any PSUs that have not been earned will be automatically forfeited on the CIC Determination Date unless the Administrator otherwise determines.

(c) Vesting of Earned PSUs; Forfeiture. The earned PSUs will vest [as to [_]] on [each of] the Determination Date or the CIC Determination Date, as applicable[, and as to [___] on [each of] the [_] anniversar[y/ies] thereof]. Any fraction of a PSU that would otherwise be vested will be accumulated and will vest only when a whole PSU has accumulated. In the event of Participant's Termination of Service for any reason, all unvested PSUs will immediately and automatically be cancelled and forfeited, except as otherwise determined by the Administrator or provided in a binding written agreement between Participant and the Company. Dividend Equivalents (including any Dividend Equivalent Account balance) will vest or be forfeited, as applicable, upon the vesting or forfeiture of the corresponding PSU.

2.2 Settlement.

(a) PSUs and Dividend Equivalents (including any Dividend Equivalent Account balance) will be paid in Shares or cash at the Administrator's option as soon as administratively practicable after the vesting of the applicable PSU, but in no event more than sixty (60) days after the PSU's vesting date. Notwithstanding the foregoing, the Company may delay any payment under this Agreement that the Company reasonably determines would violate Applicable Law until the earliest date the Company reasonably determines the making of the payment will not cause such a violation (in accordance with Treasury Regulation Section 1.409A-2(b)(7)(ii)), provided the Company reasonably believes the delay will not result in the imposition of excise taxes under Section 409A.

(b) If a PSU is paid in cash, the amount of cash paid with respect to the PSU will equal the Fair Market Value of a Share on the day immediately preceding the payment date. If a Dividend Equivalent is paid in Shares, the number of Shares paid with respect to the Dividend Equivalent will equal the quotient, rounded down to the nearest whole Share, of the Dividend Equivalent Account balance divided by the Fair Market Value of a Share on the day immediately preceding the payment date.

ARTICLE III.
TAXATION AND TAX WITHHOLDING

3.1 Representation. Participant represents to the Company that Participant has reviewed with Participant's own tax advisors the tax consequences of this Award and the transactions contemplated by the Grant Notice and this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

3.2 Tax Withholding.

(a) Notwithstanding anything in the Plan to the contrary, unless the Administrator determines otherwise, any withholding tax obligation that arises with respect to the PSUs or Dividend Equivalents will be satisfied by the Company's withholding from the Shares issuable under the PSUs or Dividend Equivalents that are then vesting or being paid, as applicable, the minimum number of whole Shares having a then-current Fair Market Value sufficient to satisfy the withholding obligation based on applicable statutory withholding rates.

(b) If withholding tax obligations are not satisfied as described in Section 3.2(a), the Company has the right and option, but not the obligation, to treat Participant's failure to provide timely payment in accordance with the Plan of any withholding tax arising in connection with the PSUs or Dividend Equivalents as Participant's election to satisfy all or any portion of the withholding tax by requesting the Company retain Shares otherwise issuable under the Award.

(c) Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with the PSUs and the Dividend Equivalents, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the PSUs or Dividend Equivalents. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the

awarding, vesting or payment of the PSUs or the Dividend Equivalents or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the PSUs or Dividend Equivalents to reduce or eliminate Participant's tax liability.

ARTICLE IV.
OTHER PROVISIONS

4.1 Adjustments. Participant acknowledges that the PSUs, the Shares subject to the PSUs and the Dividend Equivalents are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan.

4.2 Notices. Any notice to be given under the terms of this Agreement to the Company must be in writing and addressed to the Company in care of the Company's Secretary at the Company's principal office or the Secretary's then-current email address or facsimile number. Any notice to be given under the terms of this Agreement to Participant must be in writing and addressed to Participant at Participant's last known mailing address, email address or facsimile number in the Company's personnel files. By a notice given pursuant to this Section, either party may designate a different address for notices to be given to that party. Any notice will be deemed duly given when actually received, when sent by email, when sent by certified mail (return receipt requested) and deposited with postage prepaid in a post office or branch post office regularly maintained by the United States Postal Service, when delivered by a nationally recognized express shipping company or upon receipt of a facsimile transmission confirmation.

4.3 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

4.4 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws and, to the extent Applicable Laws permit, will be deemed amended as necessary to conform to Applicable Laws.

4.5 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement will inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in the Plan, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

4.6 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Grant Notice, this Agreement, the PSUs and the Dividend Equivalents will be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3) that are requirements for the application of such exemptive rule. To the extent Applicable Laws permit, this Agreement will be deemed amended as necessary to conform to such applicable exemptive rule.

4.7 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

4.8 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held illegal or invalid, the provision will be severable from, and the illegality or invalidity of the provision will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

4.9 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and may not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant will have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the PSUs and Dividend Equivalents, and rights no greater than the right to receive cash or the

Shares as a general unsecured creditor with respect to the PSUs and Dividend Equivalents, as and when settled pursuant to the terms of this Agreement.

4.10 Not a Contract of Employment. Nothing in the Plan, the Grant Notice or this Agreement confers upon Participant any right to continue in the employ or service of the Company or any Subsidiary or interferes with or restricts in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

4.11 Country Addendum. Notwithstanding any provisions in this Agreement, the PSUs shall be subject to any special terms and conditions set forth in an appendix (if any) to this Agreement for any country whose laws are applicable to Participant and this Award of PSUs (as determined by the Administrator in its sole discretion) (the "***Country Addendum***"). Moreover, if Participant relocates to one of the countries included in the Country Addendum (if any), the special terms and conditions for such country will apply to Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Country Addendum constitutes part of this Agreement.

4.12 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which will be deemed an original and all of which together will constitute one instrument.

* * * * *

AMENDMENT NO. 1 TO EXECUTIVE SEVERANCE AGREEMENT

This Amendment No. 1 to Executive Severance Agreement (this "***Amendment***"), by and between Teladoc Health, Inc., a Delaware corporation ("***Teladoc***" or the "***Company***"), and Mr. Daniel Trencher, an individual resident in the State of New York ("***Executive***"), is made as of June 9th, 2023.

Recitals

A. Teladoc and Executive are parties to that certain Executive Severance Agreement, dated as of July 15, 2015 (the "***Agreement***").

B. Teladoc and Executive desire to make certain changes to the Agreement, as set forth in this Amendment.

Terms and Conditions

In consideration of the mutual covenants contained herein, along with other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. **Amendments**.

1.1. Except as otherwise set forth in this Amendment, capitalized terms have the meaning given to them in the Agreement.

1.2. A "WHEREAS" paragraph is added after the sole "WHEREAS" paragraph that is currently in the Agreement as follows:

WHEREAS, during the period of Executive's employment with the Company, Executive shall serve as Chief Strategy Officer.

2. **Other Provisions.** Except as expressly set forth above, each and every provision of the Agreement shall remain unchanged and in full force and effect.

3. **General Provisions.** The provisions of Section 8 of the Agreement shall govern this Amendment, to the fullest extent applicable and are hereby incorporated into this Amendment.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have executed and delivered this Amendment as of the date first written above.

MR. DANIEL TRENCHER,
an individual resident in the
State of New York

/s/ Daniel Trencher

TELADOC HEALTH, INC.,
a Delaware corporation

By: /s/ Arnnon Geshuri
Arnnon Geshuri
Chief Human Resource Officer

AMENDMENT NO. 2 TO EXECUTIVE SEVERANCE AGREEMENT

This Amendment No. 2 to Executive Severance Agreement (this "***Second Amendment***"), by and between Teladoc Health, Inc., a Delaware corporation ("***Teladoc***" or the "***Company***"), and Mr. Andrew Turitz, an individual resident in the State of Illinois ("***Executive***"), is made as of June 9th, 2023.

Recitals

A. Teladoc and Executive are parties to that certain Executive Severance Agreement, dated as of July 15, 2015 (the "***Agreement***").

B. Teladoc and Executive made Amendment No. 1 to the Executive Severance Agreement, dated as of October 29, 2019 (the "***First Amendment***").

C. Teladoc and Executive desire to make certain changes to the Agreement, as set forth in this Second Amendment.

Terms and Conditions

In consideration of the mutual covenants contained herein, along with other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. **Amendments**.

1.1. Except as otherwise set forth in this Second Amendment, capitalized terms have the meaning given to them in the Agreement.

1.2. A "WHEREAS" paragraph is added after the sole "WHEREAS" paragraph that is currently in the Agreement as follows:

WHEREAS, during the period of Executive's employment with the Company, Executive shall serve as Executive Vice President – Corporate Development.

2. **Other Provisions.** Except as expressly set forth above, each and every provision of the Agreement, amended to reflect the changes in the First Amendment of the Agreement shall remain unchanged and in full force and effect.

3. **General Provisions.** The provisions of Section 8 of the Agreement shall govern this Second Amendment, to the fullest extent applicable and are hereby incorporated into this Second Amendment.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have executed and delivered this Second Amendment as of the date first written above.

MR. ANDREW TURITZ,
an individual resident in the
State of Illinois

/s/ Andrew Turitz

TELADOC HEALTH, INC.,
a Delaware corporation

By: /s/ Arnnon Geshuri
Arnnon Geshuri
Chief Human Resource Officer

Exhibit 31.1

Certification

I, Jason Gorevic, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Teladoc Health, Inc. (the "registrant") for the period ended June 30, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2023

/s/ JASON GOREVIC

Jason Gorevic
Chief Executive Officer

Exhibit 31.2

Certification

I, Mala Murthy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Teladoc Health, Inc. (the "registrant") for the period ended June 30, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2023

/s/ MALA MURTHY

Mala Murthy
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Teladoc Health, Inc. (the "Company") for the period ended June 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jason Gorevic, Chief Executive Officer of the Company, certify, to my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 28, 2023

/s/ JASON GOREVIC

Jason Gorevic

Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Teladoc Health, Inc. (the "Company") for the period ended June 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mala Murthy, Chief Financial Officer of the Company, certify, to my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 28, 2023

/s/ MALA MURTHY

Mala Murthy
Chief Financial Officer