

Teladoc Health turns out a steep \$3.1B loss in Q2—how much finger-pointing goes to Livongo?

Article

The news: Teladoc Health [announced](#) a steep loss of **\$3.1 billion** in Q2.

- Teladoc posted a net loss of \$3.1 billion or \$19.22 per share for Q2 2022 compared with \$133.8 million or \$0.86 per share in Q2 2021.
- Teladoc reported a \$3 billion non-cash goodwill impairment charge for Q2 2022 and close to \$10 billion in impairment charges for the first half of 2022.

Putting the numbers in context: Teladoc’s impairment charge is likely a result of its acquisition of digital therapeutics company Livongo in 2020.

- Teladoc bought Livongo to consolidate an app that offers primary care, chronic care, and telehealth, per Fierce Healthcare. However, Teladoc may have overpaid in its \$13.9 billion Livongo [acquisition](#).
- As the US GDP [shrank](#) for the second consecutive quarter, sparking recession fears, Teladoc CEO Jason Gorevic acknowledged “increased uncertainty in the macroeconomic backdrop” affecting the company’s earnings.

For context, Teladoc also [posted](#) a loss in Q1 2022.

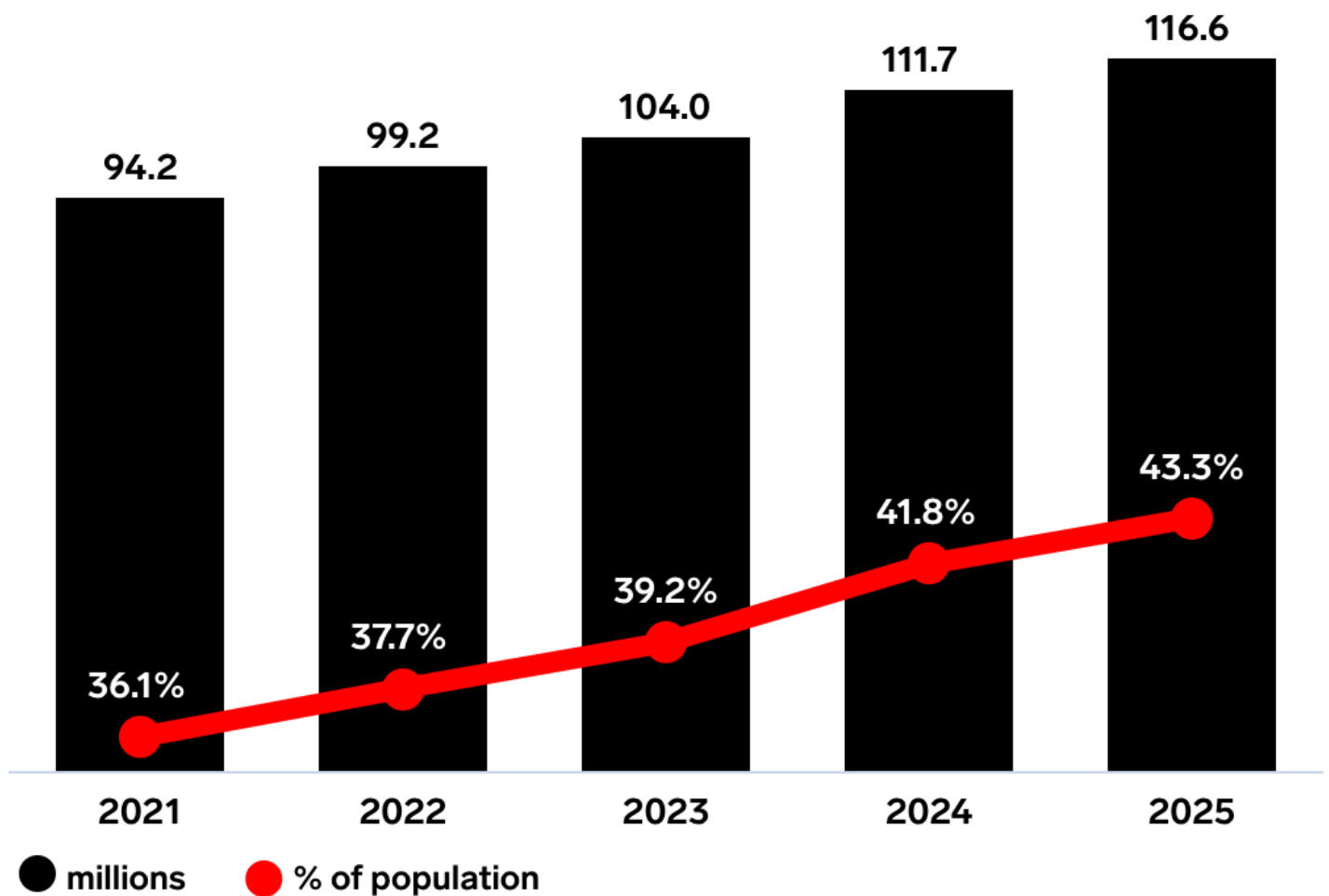
The silver lining: Teladoc showed progress for its Primary360 business, which the company says recently added new clients and capabilities.

- In addition, Teladoc’s overall revenues increased 18% to \$592.4 million from \$503.1 million in the second quarter of 2021.
- And Teladoc expects positive results from its Chronic Care Complete business, which [launched](#) in February.

Teladoc has also [received](#) industry praise for its robust telehealth capabilities. And although telehealth has experienced a drop-off after the beginning of the COVID-19 pandemic, we expect the **number of telehealth users to grow to 116.6 million in 2025 versus 99.2 million in 2022**, according to our Telehealth Users [forecast](#).

Telehealth Users

US, 2021-2025



Source: eMarketer, August 2021

InsiderIntelligence.com

What's next? Teladoc expects results for the rest of 2022 to be on the lower end of its outlook. The company projects a fiscal year 2022 outlook range of \$2.4 billion to \$2.5 billion.