Transcript

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<<Charles Rhyee, Analyst, TD Cowen>>

[Call Starts Abruptly] session here. Very pleased to have with us Talkspace, and presenting for the company is Jon Cohen, CEO; and Jennifer Fulk, Chief Financial Officer. Officer, we're going to do fireside chat here, and maybe to start – maybe a brief overview of Talkspace's mission and the business as it kind of looks today.

<<Jon R. Cohen, Chief Executive Officer>>

Sure. So we have several different businesses. We have – we work traditionally, as you probably know a B2C business for a long time [in the] retail space, [and] is over 10 years old with a very strong brand. We moved over from B2C, although we have fairly robust B2C business now. We moved over to the enterprise side, which includes payers, university, schools, government [and more]. So with four businesses, we have a direct-to-enterprise business [which] I include in that universities, colleges, schools, and the government.

We have a behavioral – we call behavioral health, which is our insurer covered business for the payers, EAP through multiple employers. And then we have a burgeoning psychiatry business [additionally], our strongest differential advantage, I think in the marketplace. [We] have 92 million covered lives on the insurer side. There's a big difference relative to the risk of B2C community.

<<Charles Rhyee, Analyst, TD Cowen>>

And maybe before jumping in a little bit, Jon, obviously you just joined recently as CEO. Maybe you can talk a little bit about what kind of attracted you to Talkspace.

<<Jon R. Cohen, Chief Executive Officer>>

A couple things. So I was on the Board originally for a short period of time, and then came off the Board to [take] on the CEO role. When I joined the Board, it was the same reason. It's an amazing product meaning the ability to deliver mental health services, a wide network of a lot of different people. As a physician, I'd like to tell people the time for mental health has arrived.

When I went to medical school, I think I did five days or a week of psychiatry the entire four years, and that's changed dramatically as people recognize the need for mental health services.

It’s the first time that I’ve been in a business where a totally addressable market is almost unlimited.

It’s really interesting to be in a space where everybody wants what you want, what you have. So I think having – being able to provide the service we’re providing, having a really huge market it’s actually a great Board. It’s a great management team and the ability to do a lot of good. So I thought it was a really interesting and terrific opportunity.

<<Charles Rhyee, Analyst, TD Cowen>>

Right. So why don’t we kind of jump in being on the B2B side, how is the kind of ended the year strong? Talk about sort of the pipeline, backlog, as you think about this year and how you’re navigating this growing segment particularly with an eye on the macro environment. And maybe talk about how employers – what kind of conversation you’re having with employers or enterprises as they think about providing the service against sort of the macro backdrop.

<<Jon R. Cohen, Chief Executive Officer>>

Sure. So I’ll turn it to Jennifer in a minute. I think that’s what’s interesting is there’s a confluence of events. What I mean by that is sometimes you have a product and there’s no market, and sometimes [when] you have a market, there’s no product. Now we have a huge market [for] mental [health] services, and we have a really interesting product to deliver on that service.

So…there’s not a day that goes by that you don’t see what’s going on relative to a huge amount of money being poured into delivering mental health services across the country as a recognized need. So the – those issues coming together with the fact that we have 92 million covered lives on a payer side puts us in a very unusual and positive position to address the market need. And I’ll let Jennifer talk about last year and the last quarter.

<<Jennifer Fulk, Chief Financial Officer>>

Yeah. And maybe just to start with the market, because what we’re offering and what we have offered, so Jon mentioned we started as a consumer brand and did that for 10 years and that was market driven. So it was during a time when access to mental healthcare was primarily driven by people paying cash out of pocket.

Talkspace was established as a lower-cost, more accessible platform to serve that market. Our view is that the market going forward, and we saw big shifts start to happen during COVID, but we believe this to be true as we go forward is [that] market expansion is driven by continued access through the affordability and coverage and behavioral health coverage, EAP coverage or direct-to-enterprise coverage.

So that’s important just to state that as we talk about what we were able to demonstrate in our Q3 and Q4 results, which was double-digit growth within our payer segment and our DTE segment. So both of those areas growing double digits with the offset – partially offset by a lower consumer revenue.

And we know consumer DTC is very much impacted by your amount of media spend, cost of acquisition, et cetera. But what we've seen is, we've had a lot of success as we've merged not only our platform to be able to serve members regardless of how they pay for it, but then we moved upwards, we unified the funnel, so using our consumer channels to come in and be able to easily figure out if you have coverage through your employer or through your insurance company.

And now we've kind of completed that with leveraging our advertising media messages to drive awareness for members that they have access – that insurance might cover you if you come to Talkspace or you could pay out of pocket. So it's important to know that, that it's a important factor as we – as you look at our results, not only in the fourth quarter, but then also you play that through to understand our – the revenue guidance we've given, but more importantly, what we see is our path to breakeven in profitability by the middle of next year.

<<Charles Rhyee, Analyst, TD Cowen>>

Any kind of change in the message from employers, Jon, you talked about sort of an unlimited demand. No, and you have a great product here, but within that demand equation, any kind of change in how employers are asking, like what they're asking for has changed at all?

<<Jon R. Cohen, Chief Executive Officer>>

Well, two things. One is we layer on because we do a large amount of direct-to-employer contracting, which is frequently a per employee per month type of fee. And what you see from the employers, although they will have EAP programs and which we will be frequently large part of EAP quite honestly is not that easy to navigate for many employees.

You get a certain number of sessions and then you cap out. So what's happened is a large number of employers, large employers also have layered an [employer-sponsored mental health] program on top of their existing benefits because it has become so important. The data on providing mental health services to employers is very clear in terms of decreasing absenteeism, increasing productivity, increasing basic health and employers being happier with their job. So all of that objective data is out there and they recognize that. So as a result, they're actually adding services.

Now, in addition, they have their EAP program. So we're also in network with them if they wanted their [employees] to have [more]. And then if after the EAP runs out, they could move onto their behavioral health. So there's a combination of – it's again a confluence of factors that makes for attractive large employers.

<<Charles Rhyee, Analyst, TD Cowen>>

I think historically right, employers had EAP programs and I think part of these, they're difficult to navigate because they didn't really want you to use it, right? [It's just to] able to say they were there, but it seems like there's been a shift on how employers look at that.

<<Jon R. Cohen, Chief Executive Officer>>

Well, there's a shift also because of – because we've also launched a program, which is a – we [Talkspace Self-Guided] – but it's really another program where we really help the HR benefits managers now manage their employee programs.

<<Jennifer Fulk, Chief Financial Officer>>

Yeah. So maybe a couple things Charles, because you make a really good point. What was historically EAP programs, which would include a whole host of extra services that were probably nicer in the recruiting event, right? But then very rarely got used. It is fundamentally different mental healthcare.

So I think COVID brought a lot of needs. So if my EAP dollars are going somewhere, clearly my employee population is demanding for it – those to be in the mental healthcare space. I think you saw a lot of entry in there, a lot of point solution players, and I think a lot of just general confusion about what it means to treat mental healthcare.

So a meditation app is not the same as therapy is not the same as psychiatry. I think what we are seeing is the conversations in the boardrooms and as we have conversations about our pipeline, they're becoming much more sophisticated and we offer a full spectrum solution. So, as Jon was referring to, we launched Talkspace Engage a few weeks ago, and this was meant specifically to support HR executives and executives that are paying for mental healthcare coverage to their employees to help drive not only utilization, but also transparency back on what they're getting in return for the investment there.

And so it's a full suite of programs. It has things like I'll call them an easy button for HR executives to share themes of the month or for them to be able to know, hey, my employees are very interested in burnout workshops, right? So for them to better understand what's going on with their employee populations and those – that's meant specifically to address what we're seeing as more sophisticated conversations going on.

<<Charles Rhyee, Analyst, TD Cowen>>

That's helpful. At an industry conference earlier this year, you noted somewhat lengthy timeline for a contract to go live from the initial handshake. And partly it's about payer integration. I think that's kind of how you guys talked about it. Is there a way to kind of cut that timeline down such that we can start to see the contribution from some of these deals sooner?

<<Jon R. Cohen, Chief Executive Officer>>

So it depends on like everything the size of the employer, you have an employer less than 2,000 employees, it's pretty quick to put on a direct-to-employer program, the – like everything else, whether it's a employer health system or some other large entity, it's just longer to navigate in general. So – but we're – as usual, we will move as quick as the contracting entity will.

<<Jennifer Fulk, Chief Financial Officer>>

I'll address that. On the payer side, this is actually a competitive advantage at this point. So we've spent a lot of time and resources investing in our revenue cycle management capabilities, which is the full spectrum to the – from the initial conversations that we're having with a new payer all the way through to how do we very easily onboard as they receive new clients.

We expand lives within the payers to seamlessly integrate them into the Talkspace platform… That's a core competency of ours. We do it very simply. It's – there's essentially zero time lag at this point, I would say it's more on the just the conversations with payers and their readiness versus Talkspace readiness. We see this as a competitive advantage actually for Talkspace. And it's why we've been able to add incrementally so many lives now we're at 92 million.

<<Charles Rhyee, Analyst, TD Cowen>>

And obviously with 92 million lives covered at the same time, you talked about all this demand and we're starting to see more supply coming into the market. So obviously, supply is coming from a couple sources, right? A lot of – we see money has been pouring in. Maybe just curious what you're seeing in that kind of part of the landscape is that kind of slowed or stabilized.

And on the other side, right, you're seeing larger players, like the big health plans start to try to launch their own virtual offerings as well. So two questions of that. First sort of on the maybe private side, what you're seeing. And then on the payer side, talk about sort of the dynamics, because probably a lot of these are your customers as well and you work with them and what does that competitive environment look – kind of environment look like?

<<Jon R. Cohen, Chief Executive Officer>>

So I'll take the second one, on the payer side is because we've contracted with certainly a majority of the large payers and a lot more to – bunch more to come. They have seen us as a significant resource for them. I mean, they're not going to – they're certainly some of the other groups may want to build a mental health telehealth service. But the major payers are like everything else or using us as their – as the service, that they need for telehealth.

And what we don't do, which I think we've talked about before is we don't compete with firms that are offering EAP services. So we are very desirable for the payers. So if a payer, whether it's [indiscernible] (0:13:27) united whoever is offering an EAP service, it will on a mental health telehealth side, it'll be us fairly frequently because we're not offering other EAP services to employers. So in other words, the payers are – we don't compete with EAP services to go to an employer. We are hand in hand with the payers when they go to employers

<<Jennifer Fulk, Chief Financial Officer>>

Maybe just to address, there is a lot of noise. Of course, there's a lot of noise. If you have a view that is anything close to ours, which is this market opportunity here and the current unserved need and the future demand that people will be getting mental healthcare as they more understand it, more have access to it. There's – there are going to be players that, that, that come here.

I would say, our advantage is our lead time and I would say what we've honed in on as our strategic priorities that we've been building and where we've been building our capabilities for the year and a half. So it's not easy and it takes a very long time to get to be what we are, which is an in-network provider for so many covered lives. And leveraging our consumer brand historically to be able to drive awareness I think is a huge advantage.

And why – what we're really excited about, which is not only adding to covered lives, but driving utilization within the lives we have in the lives we have line of sight to continuing to add. There are going to be other players. I'll give you an example. We monitor when people come in, are they new to therapy? Are they coming from somewhere else in January? We know 50% of our members were brand new to therapy. So they're – we can see the pie getting bigger. And so I think there's space for more than one, more than two, probably a few players in this space, given how large the market opportunity is.

<<Charles Rhyee, Analyst, TD Cowen>>

That's fair. You talked earlier, right, I mean, one of the things that you've worked on is to create a single funnel whether they end up paying out of pocket or they have coverage. And so only focus on the B2C part of the business here because I think a lot of people have – and as you have too, right, have kind of right – tried to right size this part of the business.

But with the way you are now creating the funnel, do you see B2C being a future growth driver for the business like how are you thinking about this business as we move past this year and going forward?

<<Jon R. Cohen, Chief Executive Officer>>

Well, I think [sic] that's why we positioned it as it's up to you as the person seeking therapy as a member, how you want to pay for it, so you can pay for it yourself out of pocket, or if you're covered, there's a good chance we have you as cover live. You don't have to pay out of pocket. So it's not one or the other. It's a matter of choice now that we offer the person who's entering the market I would state, which I've done publicly before is the – and with the quote changes in people refer to as the macro market relative to consumerism and healthcare.

The minute you put a dollar in the front of the healthcare patient, it's a significant negative factor in terms of their ability to buy healthcare. So the fluctuations in the B2C market will continue. I can't tell you which way, but it's certainly going to be – it'll certainly continue to be an issue going forward.

<<Charles Rhyee, Analyst, TD Cowen>>

That's helpful. I guess, what I was asking is, do you see any data that shows beforehand, right? You would go to the site, you wouldn't know if you didn't talk about coverage, and so the person had to make a choice, am I going to pay for this out of pocket? And so you have a certain conversion rate, when you – someone's attracted a site because they could have coverage, maybe then they find out they don't have coverage. What does the conversion rate look like for that pool? Or do you see maybe they still choose to sign up at a higher rate than maybe they only presented one choice.

<<Jennifer Fulk, Chief Financial Officer>>

So yes. So, yes, so there's a lower conversion rate, right, because it is a larger cash out of pocket. I think we all understand the friction created there. I think we have a – there's a large consumer competitor that demonstrates that there's still a very large number of people that want or need to pay cash out of pocket for their therapy. So that's not lost on us. I guess, where we're making sure that we are optimizing is when we look at our media and our acquisition spend that we're really optimizing for profitability across the company.

So if a conversion happens, whether it be a behavioral health coverage, EAP coverage or their paying cash out of pocket. Let me just segue on that. If you're paying cash out of pocket and you have commercial coverage, but aren't covered, we provide you a super bill. It's another capability of ours for you to be able to submit for reimbursement. So still get some reimbursement back, even if you are a consumer out of pocket provider.

So we're looking at conversion across all three of those areas and optimizing our spend and our messaging. And what we get really excited about are the super efficient, say, search engine optimization is some things that we have going on there where people are really seeking out, we see higher conversion rates if they do have coverage and come to talk space, but we're optimizing across all three of those categories and ways members can come in.

<<Charles Rhyee, Analyst, TD Cowen>>

So we're modeling about expect that B2C will be like 30% of total revenues this year. Do you see that being sort of constant here or do you think – or is it just by law of numbers as the B2B business grows maybe the absolute dollars in B2C doesn't change. How do you think about maybe relative – obviously relative, I would imagine shrinks, but maybe on an absolute basis, what do you see that business doing?

<<Jennifer Fulk, Chief Financial Officer>>

So we haven't – we didn't give specific category guidance across our revenue stream, so I'll speak in general terms. We're really excited about even what we're seeing so far in the first quarter on the payer sessions completed and payer revenue side. The direct to employer, we talked a few minutes ago why we feel really confident and that's going to be a very strong revenue driver for us going forward. And then I said on the consumer side, it's not a focus to drive revenue growth there because I think it's our least efficient channel.

But what we do see it as stabilizing this year, so we have some more room to go, but we see that stabilizing. To the extent that we see opportunities, whether it be in the therapy business or in our psychiatry business we'll make sure that we're optimizing there. It's just not – it won't be our clear line of focus and we won't be chasing revenue growth at any cost.

<<Charles Rhyee, Analyst, TD Cowen>>

Talk about psychiatry. I mean, that's where you talk about a real shortage in the market as practicing psychiatrists – my dad was one actually, he just retired a couple of years ago.

<<Jon R. Cohen, Chief Executive Officer>>

He want to come work for us.

<<Charles Rhyee, Analyst, TD Cowen>>

Absolutely not. He's enjoying the life of the golf course.

<<Jon R. Cohen, Chief Executive Officer>>

Take a couple of sessions, sorry.

<<Charles Rhyee, Analyst, TD Cowen>>

I'll ask him. I know the answer, but like how do you see this part of the business? I mean, telepsychiatry has existed prior. Is this where maybe some M&A could make sense?

<<Jon R. Cohen, Chief Executive Officer>>

So right now we have 200 plus practitioners that are psychiatry [board] approved. So whether it's a nurse practitioner [or] MD, we have 200 people that are qualified to deliver psychiatric services. We don't do what refers to as hardcore psych. We don't do schizophrenia, bipolar, et cetera. But we do psychiatry service – we do provide psychiatry services. We do some prescribing usually anti-anxiety, antidepressant, but we won't do narcotics some of the other drugs.

So we do provide it, I think, it is a growing small piece of the business, growing at a – because of the need at a substantial rate. What we find particularly interesting is there is a relationship, as you can imagine, between therapy and what the therapists discover or decide or helpful and psychiatry services. So we have 3,000 plus therapists and there is a relationship between those two services, which is not insignificant. In addition to providing psychiatric service outside what Jennifer referred to me before is we offer the full spectrum, so it's self-guided, texting, voice, live video, and psychiatric services. So for instance, if an employer wants a full service, which is what we're seeing more and more and the market as opposed to cobbling together, we can offer that to people.

<<Charles Rhyee, Analyst, TD Cowen>>

Got it. So a couple weeks ago in our earnings, you introduced 2023 guidance looking for total revenue growth of 5% to 13% adjusted EBITDA loss of minus $32 million to minus $28 million. I guess, at first glance you'd say top line doesn't look overwhelming, but obviously that's a mix, right, between accelerated growth in B2B which – how should we think about the building blocks to see this high growth in the B2B business?

<<Jennifer Fulk, Chief Financial Officer>>

So I guess, going back to what I mentioned earlier without giving specific category guidance, it's what we're most excited about and what we see as being the future revenue growth driver is really on the payer category. So whether there be BH or EAP, DTE is another component of that. And so if you think about our full year 2023, we see that revenue growth really being bigger in the back half of the years, we see stable consumer revenue stream. We're coming from a pretty high base in consumer revenue. So still the comparison year-over-year, we've got the offset. As we look at this really strong B2B categories growing, we still have an offset to a higher comparable in – even in 2022. And so as we see that stabilize in the revenue base, that's where we see our revenue growth potential.

<<Charles Rhyee, Analyst, TD Cowen>>

So with EAP, right, the revenue is recognized as employees use the service?

<<Jennifer Fulk, Chief Financial Officer>>

That's right.

<<Jon R. Cohen, Chief Executive Officer>>

Yes.

<<Charles Rhyee, Analyst, TD Cowen>>

So then if a client – if an employer chooses, they have the EAP and they want to layer on the DTPs. Are they paying at PE, EPM at the start of the year or it only kicks in after – you're saying that members if they use…

<<Jon R. Cohen, Chief Executive Officer>>

No, it's full year. It's – they're paying it throughout the year.

<<Charles Rhyee, Analyst, TD Cowen>>

Okay. So they've just chosen to have both and they're paying EAP first. Why not have them go straight into just a – like why have both, why not have just a DTE then?

<<Jennifer Fulk, Chief Financial Officer>>

Yeah. Well, I think and this is part of the frustration I think with HR executives is they're just not getting the utilization that they want. So us being able to provide the services that we do, and if you're signed up with Talkspace through a direct-to-enterprise plan, direct to employee, we offer you a very full suite of services that you can help to drive utilization. And ultimately, this is what I was saying earlier, they're looking for good outcomes, right? They're not looking to just provide an advertisement to employees that they've got a mental health coverage, they're actually looking for outcomes. And we're able to provide that. Through your traditional, you could argue the same thing. Shouldn't this all be covered in your behavioral health benefits, just like going to a primary care physician, you should – it's people are utilization and awareness that that is available to you is just very, very low. So that's where the direct to employer, direct-to-enterprise benefit.

<<Charles Rhyee, Analyst, TD Cowen>>

If direct-to-enterprise really continues to take off, would you see EAP starting to fall off? Like, people say, well, we already have the DTE offering, we don't need an EAP piece or behavioral at least.

<<Jon R. Cohen, Chief Executive Officer>>

Well, what happens in the EAP is it frequently is tied to your health insurer to the benefits package that's offered due through your employer, right. So what happens is and there are other EAP services that are tagged on to that. So it's part of that big, like benefits manager person says, okay, I have, this is my insurer, it comes with an EAP program such as this. And then – but because the utilization has been so low and it's limited, they layer on the DTE.

<<Charles Rhyee, Analyst, TD Cowen>>

Got it.

<<Jennifer Fulk, Chief Financial Officer>>

I would also say most of the growth that we see today, I mentioned January brand new to therapy, right? Like 50% of our members, most of the growth we see are going to people that are not using therapy today.

<<Charles Rhyee, Analyst, TD Cowen>>

That's right.

<<Jennifer Fulk, Chief Financial Officer>>

And so what you've said becomes a threat once we reach the point that actually – people that can use therapy and benefit from therapy or using it and then you're talking about share and cannibalization, we're not even close to that at this point.

<<Charles Rhyee, Analyst, TD Cowen>>

That's fair. I think the guidance also implies OpEx – significant OpEx reductions again is something that you guys have been working on the last couple of years. You've already made great strides, how confident your ability to reduce the construct even more from here.

<<Jon R. Cohen, Chief Executive Officer>>

Well, let's reiterate the guides. We said, $125 million to $135 million on the revenue side. We said $28 million to $32 million on the – loss on the EBIDA side. And then we've said, we will – by the time we break even, which is the first half of the next year, we'll have $95 million plus cash balance sheet. First off that in itself, we want to reiterate as significant. We haven't given guidance for a while. We've heard from people and we've gone out and said, this is what – this is our goal. This is what we're going to get to. In terms of the – as Jennifer, like, so the – there is more left for us to do on the cost side to take out both, not just the marketing dollars, but on the cost side itself to get to where we need to go. Remember, the platform is built 10 years experience. We're not – there's not a lot that needs to be done on the platform. It's more of making the platform actually more efficient at this point. So there's room to go.

<<Charles Rhyee, Analyst, TD Cowen>>

And speaking of that breakeven target first half of 2024, any kind of major pieces that we should be thinking about that helps get us there? Or is it just a combination of bunch of little things.

<<Jennifer Fulk, Chief Financial Officer>>

Or a bunch of big things…

<<Charles Rhyee, Analyst, TD Cowen>>

Or a bunch of big things. Sure.

<<Jennifer Fulk, Chief Financial Officer>>

So I guess, it is important to understand, our revenue and adjusted EBITDA guidance that we provided is our baseline and way to think about this year. It's also important to note that we see our progress to profitability evolving throughout this year. And so we exit the year at a much narrower gap than where we start the year. So it's important to note that that trajectory we see taking shape over the course of the year. I would say, revenue growth is one driver, and we've got a lot of items that we see as opportunities within there, there's the margin part, and then also on OpEx, as Jon mentioned across, we took meaningful actions in the fourth quarter, so we reduced our run rate OpEx from $30 million to $25 million just from Q3 to Q4.

We see more opportunity there, both in terms of our corporate infrastructure with regard to vendors and contractors that still have contractual terms that take us into this year. So we'll continue to see benefits from the actions that we took in the fourth quarter. And last but definitely not least, is just media efficiency. So we've driven a lot of that in the last year and a half. We see a lot more opportunity to go as we continue to kind of optimize on our messaging there. So it's a lot of, I would say, big things across revenue, margin and OpEx.

<<Charles Rhyee, Analyst, TD Cowen>>

And obviously we're going to exit the year at a much lower annualized burden rate at the start of the year. Should we think about that cadence as being relatively linear as we get there? Or is there any kind of seasonality that we should think about in terms of how people kind of model that?

<<Jon R. Cohen, Chief Executive Officer>>

Yeah, it's watching the curve.

<<Charles Rhyee, Analyst, TD Cowen>>

Watching the curve, yeah.

<<Jennifer Fulk, Chief Financial Officer>>

Okay. Yeah. There's nothing notable, and Charles you might know, we're added as an in-network provider for lives. There's not a January 1 start just because the nature of our relationships with them. We're seeing the same thing on the direct-to-enterprise fund. Of course, the consumer can pay a needs any time though. So there's nothing seasonal. And then there's nothing in the margin or OpEx space that I would say is a specific lumpy part of the revenue.

<<Charles Rhyee, Analyst, TD Cowen>>

Some of your – obviously, one of your competitors has a lot more scale phrase a lot bigger. Maybe talk about sort of the – how do you overcome a relative scale differential? Does that – do you see that as an impediment or how do you compete against sometimes with some of the bigger balance sheet kind of thing?

<<Jon R. Cohen, Chief Executive Officer>>

Well, if you're talking about the therapy network in terms of scalability they were – right now, we – I don't believe that there's a capacity issue yet in the network that we have. I think we have more run room and I think our – the way we've reconfigured our matching segments for the therapists then the patient, I think gives us even more bandwidth to expand a therapy network. So I'm not – I don't worry yet about capacity, I'll put it that way. Jennifer is excited.

<<Jennifer Fulk, Chief Financial Officer>>

Yes, I do. I worry about everything. That’s my job.

<<Jon R. Cohen, Chief Executive Officer>>

Yeah, exactly.

<<Jennifer Fulk, Chief Financial Officer>>

But I would say, very important priority of ours is being the employer of choice for network therapists. We’ve made a ton of investments there, whether it be the feedback loop to our product and making sure that we’re enhancing the product, whether it be the calendarization or billing practices or whatever to make our therapists just lives better, and then being able to actually serve patients more in helping them feel better versus kind of the administrative work that they’ve had to do historically. We’ve provided them communities of, hey, can I go get help on a really difficult case or is there a drop in session that I can just – I just have a place to go. That’s actually really, really meaningful. We’re getting very positive feedback from those investments and those resources we provide.

And then I’ll just say, lastly, as we, of course, need to make sure we’re paying competitively. But we’re also – we’ve got paid transparency. So we’ve got reporting and kind of dashboards that we’re also supporting our therapists with. But it’s important to note that we’ve got our [indiscernible] (0:32:55) we have to make sure that we’ve got access to supply. And being the employer of choice is how we see being able to do that.

<<Charles Rhyee, Analyst, TD Cowen>>

Great. I think we have reached the time and I just want to thank you both for joining us today and thank you for everyone sitting in.

<<Jon R. Cohen, Chief Executive Officer>>

Thanks.

<<Jennifer Fulk, Chief Financial Officer>>

Thanks, Charles.