

THE AMERICAN LAWYER

An ALM Publication

americanlawyer.com

APRIL 2021

2021 DEALMAKERS OF THE YEAR



Laura Turano
Paul, Weiss, Rifkind,
Wharton & Garrison

WHEN THE COVID-19 PANDEMIC HIT, SEEING A doctor in person became extraordinarily challenging for patients, who in turn started flocking toward telehealth as a way to get their medical advice. It was in those unusual circumstances that telehealth giant Teladoc Health announced in August that it was acquiring data-based health coaching company Livongo Health. The \$18.5 billion merger took place in less than three months, as Teladoc identified the leader in chronic condition management as an ideal company to join forces with and acted quickly to make it happen.

The deal “is about accessibility to care, and it’s also about affordability of care,” Laura Turano, the Paul, Weiss, Rifkind, Wharton & Garrison partner who represented Teladoc on the acquisition, says.

In response to the uptick in telehealth use, both companies’ stock prices were rising throughout the pandemic, so the lawyers on the deal—including Skadden, Arps, Slate, Meagher & Flom partners Mike Ringler and Sonia Nijjar, who represented Livongo—were faced with the challenge of putting together a stock-for-stock merger transaction in the midst of stock market volatility. They also needed a solution to satisfy Livongo’s desire for at least a 10% premium for its shareholders. The deal created a \$38 billion virtual health care company—the largest in the world. And patients’ need for health care in the middle of a pandemic may have helped it move along.

“Not only did [the pandemic] cause the companies to move quickly, it might have actually been why they started talking in the first place,” Ringler says.

Because the deal was wrapped up in a few short months, patients are able to continue getting the care they need without the newfound risk of going into a doctor’s office.

“We’ve all been waiting on the convergence of technology and health care forever,” Ringler says. “It’s been very slow because of regulation, and I think that this will likely be a harbinger of things to come.”

Nijjar agrees that the deal could be an indication of where the health care industry is headed, as more and more patients push to have their appointments digitally. She anticipates the ongoing trend will lead to more consolidation in the space.

“People need these digital health services right now in a way that they’ve never needed them in the past,” Nijjar says.

—VICTORIA OSTRANDER