UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K/A

Amendment No. 1

☒ ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended **December 31, 2021**

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

For the transition period from _________ to ________

Commission file number: **001-38543**

OptimizeRx Corporation
(Exact name of registrant as specified in its charter)

Nevada	**26-1265381**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
400 Water Street, Ste. 200 Rochester, MI	**48307**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number: 248-**651-6568**

Securities registered under Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value $0.001	OPRX	NASDAQ Capital Market

Securities registered under Section 12(g) of the Exchange Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by checkmark 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 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

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

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter. $1,030,061,063

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date. 17,875,435 common shares as of February 24, 2022.

DOCUMENTS INCORPORATED BY REFERENCE

Certain portions of the registrant's definitive proxy statement, in connection with its 2022 Annual Meeting of Shareholders, to be filed with the Securities and Exchange Commission within 120 days after December 31, 2021, are incorporated by reference into PART III of this Annual Report on Form 10-K.

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Explanatory Note

OptimizeRx Corporation is filing this Amendment No. 1 on Form 10-K/A (“Amendment No. 1”) to its Annual Report on Form 10-K for the year ended December 31, 2021, originally filed with the Securities and Exchange Commission (SEC) on February 28, 2022 (the “Original Filing”) to address management’s re-evaluation of our disclosure controls and procedures, internal control over financial reporting and to reflect the identification of a material weakness. The material weakness did not result in any change to the Company’s consolidated financial statements as set forth in the Original Filing.

This Amendment No. 1 is limited in scope to make the following changes to the Original Filing:

- To amend Part I - Item 1A. Risk Factors to amend a risk factor regarding the potential adverse impact material weaknesses could have on our timely and accurate reporting of financial results.

- To amend Part II - Item 8. Financial Statements and Supplementary Data to include UHY’s reissued adverse audit report on the effectiveness of the Company’s internal control over financial reporting as of December 31, 2021 dated February 28, 2022, except as to the restatement of the effectiveness of internal control over financial reporting which is as of March 10, 2023.

- To amend Part II - Item 9A. Controls and Procedures to reflect management’s (i) re-evaluation of our disclosure controls and procedures and internal control over financial reporting, and (ii) identification of a material weakness.

- To amend Part IV - Item 15. Exhibits and Financial Statement Schedules to include the following currently dated documents: (i) auditor consent, which is filed herewith as Exhibit 23.1, and (ii) certifications from the Company’s Chief Executive Officer and Chief Financial Officer as required by Sections 302 and 906 of the Sarbanes Oxley Act of 2002, which certifications are filed herewith as Exhibits 31.1, 31.2, and 32.1.

This Amendment No. 1 has not been updated or amended to give effect to any subsequent events beyond those that existed as of the original filing date and should thus be read in conjunction with the Original Filing and any of the Company’s other filings with the SEC subsequent to the Original Filing, together with any amendments to those filings. Other than the filing of the information identified above, this amendment does not modify or update the disclosure in the Original Filing in any way. Unless otherwise specified or the context otherwise requires, when used in this Amendment No. 1, the terms “we,” “our,” “us,” “OptimizeRx,” or the “Company” refer to OptimizeRx Corporation and its subsidiaries.

The Company is concurrently filing Amendment No. 1 to each of its Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2022, June 30, 2022 and September 30, 2022.

PART I

Item 1A. Risk Factors

Risks Relating to Our Business

Because we have historically experienced losses, if we are unable to achieve profitability, our financial condition and company could suffer.

While we were profitable for the full year of 2021, since the inception of our business we have historically incurred losses as a result of investing in future growth. We incurred losses in 2019 and 2020 as a result of our increased spending to build the organization to support expected future growth – both through additional new hires, as well as through acquisitions. While we have increased revenues significantly, we have not yet consistently achieved profitability due to these investments and non-cash expenses. Our ability to achieve consistent profitability depends on our ability to generate sales through our technology platform and advertising model, while maintaining reasonable expense levels. If we do not achieve sustainable profitability, it may impact our ability to continue our operations.

The global pandemic may disrupt our business or the business of our customers

In December 2019, a novel strain of corona virus, which causes the infectious disease known as COVID-19 was reported. The World Health Organization declared COVID-19 a Public Health Emergency and Global Pandemic. COVID-19 has had, and continues to have, a severe impact on economies around the world, in particular in the healthcare industry in which we operate. We have taken steps to modify our business practices and mitigate the impact of the pandemic on us, and may take further precautions as required by government authorities or to protect the health of our employees, customer, and partners - but there can be no assurance that such steps will be successful, or that our business operations, or the operations of our customers or partners will not be materially and adversely affected by the consequences of the pandemic. This could materially impact our results of operations, cash flows, and financial condition.

We may be unable to support our technology to further scale our operations successfully.

Our plan is to grow rapidly through further integration of our technology in electronic platforms. Our growth will place significant demands on our management and technology development, as well as our financial, administrative and other resources. We cannot guarantee that any of the systems, procedures and controls we put in place will be adequate to support the commercialization of our operations. Our operating results will depend substantially on the ability of our officers and key employees to manage changing business conditions and to implement and improve our financial, administrative and other resources. If we are unable to respond to and manage changing business conditions, or the scale of our solutions, services and operations, then the quality of our services, our ability to retain key personnel and our business could be harmed.

Developing and implementing new and updated applications, features and services for our portals may be more difficult than expected, may take longer and cost more than expected and may not result in sufficient increases in revenue to justify the costs.

Attracting and retaining users of our portals requires us to continue to improve the technology underlying those portals and to continue to develop new and updated applications, features and services for those portals. If we are unable to do so on a timely basis or if we are unable to implement new applications, features and services without disruption to our existing ones, we may lose potential users and clients. The costs of development of these enhancements may negatively impact our ability to achieve profitability.

We rely on a combination of internal development, strategic relationships, licensing and acquisitions to develop our portals and related applications, features and services. Our development and/or implementation of new technologies, applications, features and services may cost more than expected, may take longer than originally expected, may require more testing than originally anticipated and may require the acquisition of additional personnel and other resources. There can be no assurance that the revenue opportunities from any new or updated technologies, applications, features or services will justify the amounts spent.

Any failure to offer high-quality customer support for our portals may adversely affect our relationships with our customers and harm our financial results.

Once our solutions are implemented, our customers use our support organization to resolve technical issues relating to our solutions. In addition, we also believe that our success in selling our solutions is highly dependent on our business reputation and on favorable recommendations from our existing customers. Any failure to maintain high-quality customer support, or a market perception that we do not maintain high-quality support, could harm our reputation, adversely affect our ability to maintain existing customers or sell our solutions to existing and prospective customers, and harm our business, operating results and financial condition.

We may be unable to respond quickly enough to accommodate short-term increases in customer demand for support services. Increased customer demand for these services, without corresponding revenues, could also increase costs and adversely affect our operating results.

We are dependent on a concentrated group of customers.

Our revenues are concentrated in less than 50 customers, primarily large pharmaceutical manufacturers. Loss of one or more of our larger customers could have a negative impact on our operating results. In both 2021 and 2020, we had three customers that each represented slightly over 10% of our revenues; however only one customer represented over 10% of our revenues in both years.

We expect that we will continue to depend upon a relatively small number of customers for a significant portion of our total revenues for the foreseeable future. The loss of any of these customers or groups of customers for any reason, or a change of relationship with any of our key customers could cause a material decrease in our total revenues.

Additionally, mergers or consolidations among our customers in the healthcare industry could reduce the number of our customers and could adversely affect our revenues and sales. In particular, if our customers are acquired by entities that are not also our customers, that do not use our solutions or that have more favorable contract terms with competitors and choose to discontinue, reduce or change the terms of their use of our solutions, our business and operating results could be materially and adversely affected.

If we are unable to maintain our contracts with electronic prescription platforms, our business will suffer.

We are reliant upon our contracts with leading electronic prescribing platforms and electronic health record systems to generate our revenues received from customers Such arrangements subject us to a number of risks, including the following:

- Our contract partners may experience financial, regulatory or operational difficulties, which may impair their ability to focus on and fulfill their contract obligations to us;

- Legal disputes or disagreements, including the ownership of intellectual property, may occur with one or more of our partners and may lead to lengthy and expensive litigation or arbitration;

- Significant changes in a partner’s business strategy may adversely affect a partner’s willingness or ability to satisfy obligations under any such arrangement; and

- A partner could terminate the partnership arrangement, which could negatively impact our ability to sell our solutions and achieve revenues.

We will need to maintain these relationships as well as diversify them. The inability to do so could adversely impact our business. We generated 53.9% and 52.7% of our revenue through our largest partner in 2021 and 2020, respectively.

Our agreements with electronic prescription platforms and electronic health record systems are subject to audit.

Our agreements with our partners provide for revenue sharing payments to the platform partners based on the revenue we generate through the platform. These payments are subject to audit by our partners, at their cost, and if there is a dispute as to the calculation, we may be liable for additional payments. If an underpayment is determined to be in excess of a certain amount, for example 10%, some agreements would require us to pay for the cost of the audit, as well.

Our future growth depends on our ability to attract, retain customers, and the loss of existing customers, or failure to attract new ones, could adversely impact our business and future prospects.

We currently work with many leading pharmaceutical companies, medical device manufacturers, associations, and other companies. While we have experienced customer growth, this growth may not continue at the same pace in the future or at all. Achieving growth in our customer base may require us to engage in increasingly sophisticated and costly sales and marketing efforts that may not result in additional customers. We may also need to modify our pricing model to attract and retain such customers. If we fail to attract new customers or fail to maintain or expand existing relationships in a cost-effective manner, our business and future prospects may be materially and adversely impacted.

Actual or perceived failures to comply with applicable laws and regulations that affect the healthcare industry, including data protection, privacy and security, fraud and abuse laws, regulations, standards and other requirements could adversely affect our business, results of operations, and financial condition.

The global data protection landscape is rapidly evolving, and we are or may become subject to numerous state, federal and foreign laws, requirements and regulations governing the collection, use, disclosure, retention, and security of personal information, including health-related information. This evolution may create uncertainty in our business, affect our ability to operate in certain jurisdictions or to collect, store, transfer, use and share personal information, necessitate the acceptance of more onerous obligations in our contracts, result in liability or impose additional costs on us. The cost of compliance with these laws, regulations and standards is high and is likely to increase in the future. Any failure or perceived failure by us to comply with federal, state or foreign laws or regulation, our internal policies and procedures or our contracts governing our processing of personal information could result in negative publicity, government investigations and enforcement actions, claims by third parties, and damage to our reputation, any of which could have a material adverse effect on our operations, financial performance and business.

We also may be bound by contractual obligations and other obligations relating to privacy, data protection, and information security that are more stringent than applicable laws and regulations. The costs of compliance with, and other burdens imposed by, laws, regulations, standards, and other obligations relating to privacy, data protection, and information security are significant. Although we work to comply with applicable laws, regulations, and standards, our contractual obligations and other legal obligations, these requirements are evolving and may be modified, interpreted and applied in an inconsistent manner from one jurisdiction to another, and may conflict with another or other legal obligations with which we must comply. Accordingly, our failure, or perceived inability, to comply with these laws, regulations, standards, and other obligations may limit the use and adoption of our solution, reduce overall demand for our solution, lead to regulatory investigations, breach of contract claims, litigation, and significant fines, penalties, or liabilities for actual or alleged noncompliance or slow the pace at which we close sales transactions, any of which could harm our business.

The Health Insurance Portability and Accountability Act of 1996, or HIPAA, and the rules promulgated thereunder require certain entities, referred to as Covered Entities, to comply with established standards, including standards regarding the privacy and security of protected health information, or PHI. HIPAA further requires that Covered Entities enter into agreements meeting certain regulatory requirements with their business associates, as such term is defined by HIPAA, which, among other things, obligate the business associates to safeguard the covered entity's PHI against improper use and disclosure. While we are not a Covered Entity and not directly regulated by HIPAA, our customers or distributors might face significant contractual liability pursuant to such an agreement if the business associate breaches the agreement or causes the Covered Entity to fail to comply with HIPAA. It is possible that HIPAA compliance could become a substantial regulatory burden and expense to our operations as we expand our point of care technology solutions to help patients start and stay on therapies.

Certain other laws and regulations such as federal and state anti-kickback and false claims laws may apply to us indirectly through our relationships with our customers and partners. Violations can result in considerable penalties and sanctions. If we are found to have violated, or to have facilitated the violation of such laws, we could be subject to significant penalties.

If we are unable to adhere to the regulatory and competitive climate in which we operate, we could be materially and negatively impacted.

Due to the labyrinth of regulations in healthcare space, state and federal, as well as political sensitivity of healthcare delivery, our business model could be negatively impacted or fail.

The markets in which we operate are competitive, continually evolving and, in some cases, subject to rapid change.

Our platforms face competition from numerous other companies, both in attracting users and in generating revenue from advertisers and sponsors. We compete for users with online services and websites that provide savings on medications and healthcare products, including both commercial sites and not-for-profit sites. We compete for advertisers and sponsors with health-related web sites, general purpose consumer web sites that offer specialized health sub-channels, other high-traffic web sites that include both healthcare-related and non-healthcare-related content and services, search engines that provide specialized health searches, and advertising networks that aggregate traffic from multiple sites.

Many of our competitors have greater financial, technical, product development, marketing and other resources than we do. These organizations may be better known than we are and have more customers or users than we do. We cannot provide assurance that we will be able to compete successfully against these organizations or any alliances they have formed or may form. Since there are no substantial barriers to entry into the markets in which our public portals participate, we expect that competitors will continue to enter these markets.

Developments in the healthcare industry could adversely affect our business.

Most of our revenue is derived from the healthcare industry and could be affected by changes affecting healthcare spending. We are particularly dependent on pharmaceutical, biotechnology and medical device companies for our advertising and sponsorship revenue.

General reductions in expenditures by healthcare industry participants could result from, among other things:

- Government regulation or private initiatives that affect the manner in which healthcare providers interact with patients, payers or other healthcare industry participants, including changes in pricing or means of delivery of healthcare products and services;

- Government regulation prohibiting the use of coupons by patients covered by federally funded health insurance programs;

- Consolidation of healthcare industry participants;

- Reductions or changes in governmental funding for healthcare; and

- Adverse changes in business or economic conditions affecting healthcare payers or providers, pharmaceutical, biotechnology or medical device companies or other healthcare industry participants.

Even if general expenditures by industry participants remain the same or increase, developments in the healthcare industry may result in reduced spending in some or all of the specific market segments that we serve or are planning to serve. For example, use of our solutions and services could be affected by:

- Changes in the design of health insurance plans;
- A decrease in the number of new drugs or medical devices coming to market;
- A decrease in marketing expenditures by pharmaceutical or medical device companies, including as a result of governmental regulation or private initiatives that discourage or prohibit advertising or sponsorship activities by pharmaceutical or medical device companies; and
- Payor pressure to move to generic brands.

In addition, our customers' expectations regarding pending or potential industry developments may also affect their budgeting processes and spending plans with respect to solutions and services of the types we provide.

The healthcare industry has changed significantly in recent years and we expect that significant changes will continue to occur. However, the timing and impact of developments in the healthcare industry are difficult to predict. We cannot assure you that the markets for our solutions and services will continue to exist at current levels or that we will have adequate technical, financial and marketing resources to react to changes in those markets.

If we are unable to manage growth, our operations could be adversely affected.

Our ability to manage growth effectively will depend on our ability to improve and expand operations, including our financial and management information systems, and to recruit, train and manage personnel. There can be no absolute assurance that management will be able to manage growth effectively. To manage growth effectively, we will be required to continue to implement and improve our operating and financial systems and controls to expand, train and manage our employee base. Our ability to manage our operations and growth effectively will require us to continue to expend funds to enhance our operational, financial and management controls, reporting systems and procedures, and to attract and retain sufficient talented personnel.

If we do not properly manage the growth of our business, we may experience significant strains on our management and operations and disruptions in our business. Various risks arise when companies grow too quickly. If our business grows too quickly, our ability to meet customer demand in a timely and efficient manner could be challenged. We may also experience development delays as we seek to meet increased demand for our solutions. Our failure to properly manage the growth that we or our industry might experience could negatively impact our ability to execute on our operating plan and, accordingly, could have an adverse impact on our business, our cash flow and results of operations, and our reputation with our current or potential customers.

Our growth may be impacted by acquisitions. We may not be able to identify suitable acquisition candidates, complete acquisitions or integrate acquisitions successfully.

Our future growth is likely to depend to some degree on our ability to acquire and successfully integrate new businesses. We may not be able to identify suitable acquisition candidates, complete acquisitions, or integrate acquisitions successfully. We may seek additional acquisition opportunities, both to further diversify our business and to penetrate or expand important product offerings or markets. There are no assurances, however, that we will be able to successfully identify suitable candidates, negotiate appropriate terms, obtain financing on acceptable terms, complete proposed acquisitions, successfully integrate acquired businesses, or expand into new markets. Once acquired, operations may not achieve anticipated levels of revenues or profitability. Acquisitions involve risks, including difficulties in the integration of the operations, technologies, services and products of the acquired companies and the diversion of management's attention from other business concerns. Although our management will endeavor to evaluate the risks inherent in any particular transaction, there are no assurances that we will properly ascertain all such risks. Difficulties encountered with acquisitions could have a material adverse impact on our business.

Our business and growth may suffer if we are unable to attract and retain key employees.

Our success has been largely dependent on the skills, experience and efforts of our key employees and the loss of the services of any of our executive officers or other key employees, without a properly executed transition plan, could have an adverse effect on us. The loss of any member of our senior management team or any of our other key employees could damage critical customer relationships, result in the loss of vital knowledge, experience and expertise, could lead to an increase in recruitment and training costs and make it more difficult to successfully operate our business and execute our business strategy. We may not be able to find qualified potential replacements for these individuals and the integration of potential replacements may be disruptive to our business.

Furthermore, our ability to expand operations to accommodate our anticipated growth will also depend on our ability to attract and retain qualified media, management, finance, marketing, sales and technical personnel. However, competition for these types of employees is intense due to the limited number of qualified professionals. Our ability to meet our business development objectives will depend in part on our ability to recruit, train and retain top quality people with advanced skills who understand our technology and business. If we are unable to engage and retain the necessary personnel, our business may be materially and adversely affected.

We could be subject to economic, political, regulatory and other risks arising from our international operations.

Operating in international markets requires significant resources and management attention and will subject us to regulatory, economic and political risks that may be different from and incremental to those in the United States. In addition to the risks that we face in the United States, our international operations in Israel and Croatia, may involve risks that could adversely affect our business, including:

- difficulties and costs associated with staffing and managing foreign operations;
- natural or man-made disasters, political, social and economic instability, including wars, terrorism and political unrest, outbreak of disease (such as the recent outbreak of the novel coronavirus, or COVID-19), boycotts, curtailment of trade, and other business restrictions;
- compliance with United States laws, such as the Foreign Corrupt Practices Act, export controls and economic sanctions, and local laws prohibiting corrupt payments to government officials;
- unexpected changes in regulatory requirements;
- less favorable foreign intellectual property laws;
- adverse tax consequences such as those related to repatriation of cash from foreign jurisdictions into the United States, non-income related taxes such as value-added tax or other indirect taxes, changes in tax laws or their interpretations, or the application of judgment in determining our global provision for income taxes and other tax liabilities given inter-company transactions and calculations where the ultimate tax determination is uncertain;
- fluctuations in currency exchange rates, which could impact revenues and expenses of our international operations and expose us to foreign currency exchange rate risk;
- profit repatriation and other restrictions on the transfer of funds;
- differing payment processing systems as well as consumer use and acceptance of electronic payment methods, such as payment cards;
- new and different sources of competition;
- different and more stringent user protection, data protection, privacy and other laws; and
- availability of reliable broadband connectivity and wide area networks in targeted areas for expansion.

Our failure to manage any of these risks successfully could harm our international operations and our overall business, as well as results of our operations.

Risks Related to Our Intellectual Property and Technology

We are dependent, in part, on our intellectual property. If we are not able to protect our proprietary rights or if those rights are invalidated or circumvented, our business may be adversely affected.

Our business is dependent, in part, on our ability to innovate, and, as a result, we are reliant on our intellectual property. We generally protect our intellectual property through patents, trademarks, trade secrets, confidentiality and nondisclosure agreements and other measures to the extent our budget permits. There can be no assurance that patents will be issued from pending applications that we have filed or that our patents will be sufficient to protect our key technology from misappropriation or falling into the public domain, nor can assurances be made that any of our patents, patent applications, trademarks or our other intellectual property or proprietary rights will not be challenged, invalidated or circumvented. In the event a competitor or other party successfully challenges our solutions, processes, patents or licenses or claims that we have infringed upon their intellectual property, we could incur substantial litigation costs defending against such claims, be required to pay royalties, license fees or other damages or be barred from using the intellectual property at issue, any of which could have a material adverse effect on our business, operating results and financial condition. We cannot assure you that steps taken by us to protect our intellectual property and other contractual agreements for our business will be adequate, that our competitors will not independently develop or patent substantially equivalent or superior technologies or be able to design around patents that we may receive, or that our intellectual property will not be misappropriated.

If we are unable to protect our proprietary rights, we may be at a disadvantage to others who do not incur the substantial time and expense we incur. Preventing unauthorized use or infringement of our intellectual property rights is inherently difficult. Moreover, it may be difficult or practically impossible to detect theft or unauthorized use of our intellectual property. Any of the foregoing could have a material adverse effect upon our business, financial condition and results of operations.

Cybersecurity incidents could disrupt business operations, result in the loss of critical and confidential information, and adversely impact our reputation and results of operations.

Global cybersecurity threats can range from uncoordinated individual attempts to gain unauthorized access to our information technology (IT) systems to sophisticated and targeted measures known as advanced persistent threats. While we employ comprehensive measures to prevent, detect, address and mitigate these threats (including access controls, insurance, vulnerability assessments, continuous monitoring of our IT networks and systems, maintenance of backup and protective systems and user training and education), cybersecurity incidents, depending on their nature and scope, could potentially result in the misappropriation, destruction, corruption or unavailability of critical data and confidential or proprietary information (our own or that of third parties) and the disruption of business operations. The potential consequences of a material cybersecurity incident include reputational damage, loss of customers, litigation with customers and other parties, loss of trade secrets and other proprietary business data and increased cybersecurity protection and remediation costs, which in turn could adversely affect our competitiveness and results of operations.

Our business will suffer if our network systems fail or become unavailable.

A reduction in the performance, reliability and availability of our network infrastructure would harm our ability to distribute our solutions to our users, as well as our reputation and ability to attract and retain customers. Our systems and operations could be damaged or interrupted by fire, flood, power loss, telecommunications failure, Internet breakdown, earthquake and similar events. Our systems could also be subject to viruses, break-ins, sabotage, acts of terrorism, acts of vandalism, hacking, cyber-terrorism and similar misconduct. We might not carry adequate business interruption insurance to compensate us for losses that may occur from a system outage. Any system error or failure that causes interruption in availability of our solutions or an increase in response time could result in a loss of potential customers, which could have a material adverse effect on our business, financial condition and results of operations. If we suffer sustained or repeated interruptions, then our solutions and services could be less attractive to our users and our business would be materially harmed.

Risks Relating to Our Common Stock

If a market for our common stock is not maintained, shareholders may be unable to sell their shares.

Our common stock is traded under the symbol "OPRX" on the Nasdaq Capital Market. We do not currently have a consistent active trading market. There can be no assurance that a consistent active and liquid trading market will develop or, if developed, that it will be sustained.

Historically, our securities have been thinly traded. Accordingly, it may be difficult to sell shares of our common stock without significantly depressing the value of the stock. Unless we are successful in developing continued investor interest in our stock, sales of our stock could continue to result in major fluctuations in the price of the stock.

The market price of our common stock is likely to be highly volatile and could fluctuate widely in price in response to various factors, many of which are beyond our control.

Our stock price is subject to a number of factors, including:

- Technological innovations or new solutions and services by us or our competitors;
- Government regulation of our solutions and services;
- The establishment of partnerships with other healthcare companies;
- Intellectual property disputes;
- Additions or departures of key personnel;
- Sales of our common stock;
- Our ability to execute our business plan;
- Operating results below or exceeding expectations;
- Our operating and financial performance and prospects;
- Loss or addition of any strategic relationship;
- General financial, domestic, international, economic, industry and other market trends or conditions; and
- Period-to-period fluctuations in our financial results.

Our stock price may fluctuate widely as a result of any of the above. In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our common stock.

We do not expect to pay dividends in the foreseeable future and any return on investment may be limited to the value of our common stock.

We have never declared or paid any cash dividends on our common stock. We currently intend to retain all available funds and future earnings, if any, to fund our future growth and do not expect to declare or pay any dividend on shares of our common stock in the foreseeable future. As a result, the success of an investment in our common stock may depend entirely upon any future appreciation in its value. There is no guarantee that our common stock will appreciate in value or even maintain the price at which it was purchased.

Anti-takeover" provisions may make it more difficult for a third party to acquire control of us, even if the change in control would be beneficial to shareholders.

The Company is a Nevada corporation. Anti-takeover provisions in Nevada law and our charter and bylaws could make it more difficult for a third party to acquire control of us. These provisions could adversely affect the market price of the common stock and could reduce the amount that shareholders might receive if the Company is sold. For example, our charter provides that the board of directors may issue preferred stock without shareholder approval. In addition, our bylaws provide that shareholders cannot act by written consent and that directors may be removed by shareholders only with the approval of the holders of not less than two-thirds of the voting power of the issued and outstanding stock entitled to vote at an annual or special meeting of the shareholders.

Risks Related to Being a Public Company

We have identified a material weakness in our internal control over financial reporting. Failure to remediate the material weakness or any other material weaknesses that we identify in the future could result in material misstatements in our financial statements.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, as amended, our management is required to report on the effectiveness of our internal control over financial reporting. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation. Annually, we perform activities that include reviewing, documenting and testing our internal control over financial reporting. In addition, if we fail to maintain the adequacy of our internal control over financial reporting, we will not be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act of 2002. If we fail to achieve and maintain an effective internal control environment, we could suffer misstatements in our financial statements and fail to meet our reporting obligations, which would likely cause investors to lose confidence in our reported financial information. This could result in significant expenses to remediate any internal control deficiencies and lead to a decline in our stock price.

Subsequent to the Original Filing, the Company has re-evaluated the effectiveness of the Company's disclosure controls and procedures and internal control over financial reporting and identified a material weakness in the Company's internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected on a timely basis. For further discussion of the material weakness, see Item 9A, Controls and Procedures.

We cannot provide assurance that we have identified all, or that we will not in the future have additional, material weaknesses in our internal control over financial reporting. As a result, we may be required to implement further remedial measures and to design enhanced processes and controls to address deficiencies. If we do not effectively remediate the material weakness identified by management and maintain adequate internal controls over financial reporting in the future, we may not be able to prepare reliable financial reports and comply with our reporting obligations under the Exchange Act on a timely basis. Any such delays in the preparation of financial reports and the filing of our periodic reports may result in a loss of public confidence in the reliability of our financial statements, which, in turn, could materially adversely affect our business, the market value of our common stock and our access to capital markets.

PART II

Item 8. Financial Statements and Supplementary Data

Index to Financial Statements Required by Article 8 of Regulation S-X:

Audited Financial Statements:

UHY LLP
Certified Public Accountants

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of
OptimizeRx Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of OptimizeRx Corporation and Subsidiaries (the "Company") as of December 31, 2021 and 2020, and the related consolidated statements of operations, stockholders' equity and cash flows for the years then ended, and the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 28, 2022, except for the restatement of the effectiveness of internal control over financial reporting for the material weakness related to the Company's inability to obtain evidence about the effectiveness of controls over financial reporting at third-party service organizations, which is as of March 10, 2023, expressed an adverse opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing separate opinions on the critical audit matter or on the accounts or disclosures to which they related.

Critical Audit Matter - Revenue Recognition

As disclosed in Note 2 to the consolidated financial statements, the Company recognizes revenue upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Significant judgment is exercised by the Company in determining revenue recognition for these customer agreements and includes the following: (1) determining whether services are considered distinct performance obligations that should be accounted for separately versus together (2) the pattern and timing of delivery for each distinct performance obligation, and (3) identification and treatment of contract terms that may impact the timing and amount of revenue recognized.

How the Critical Audit Matter Was Addressed in the Audit

The audit procedures we performed to address this critical audit matter included the following: (1) obtaining an understanding of the design and operating effectiveness of controls related to identifying distinct performance obligations, determining the timing of revenue recognition and any estimation of variable consideration, (2) selection of a sample of customer agreements and testing management's identification and treatment of contract terms, and testing the mathematical accuracy of management's calculations of revenue and the associated timing of revenue recognized in the consolidated financial statements.

We have served as the Company's auditor since 2020.

/s/ UHY LLP

Sterling Heights, Michigan

February 28, 2022, except as to the restatement of the effectiveness of internal control over financial reporting for the material weakness, which is as of March 10, 2023

UHY LLP
Certified Public Accountants

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of
OptimizeRx Corporation

Adverse Opinion on Internal Control over Financial Reporting

We have audited OptimizeRx Corporation and Subsidiaries' (the "Company") internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, because of the effect of the material weakness described in the following paragraph on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of December 31, 2021, based on the criteria established in *Internal Control---Integrated Framework (2013) issued by* COSO.

A material weakness is a control deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weaknesses has been identified and included in management's assessment:

The Company did not maintain effective control over and was unable to assess the effectiveness of controls at third-party service organizations. The Company utilizes data received from these service organizations in recording amounts pertaining to revenue, accounts receivable, revenue share expense and revenue share payable. Management's inability to obtain evidence about the effectiveness of controls over financial reporting at these service organizations represents a material weakness.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets and the related statements of operations, stockholders' equity, and cash flows of the Company, and our report dated February 28, 2022, expressed an unqualified opinion. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the 2021 consolidated financial statements, and this report does not affect our report dated February 28, 2022, on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Item 9A, Management's Assessment of Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ UHY LLP

Sterling Heights, Michigan

February 28, 2022, except as to the restatement of the effectiveness of internal control over financial reporting for the material weakness, which is as of March 10, 2023

OPTIMIZERx CORPORATION
Consolidated Balance Sheets

	December 31, 2021	December 31, 2020
ASSETS		
Current Assets		
Cash and cash equivalents	$ 84,681,770	$ 10,516,776
Accounts receivable, net	24,800,585	17,885,705
Prepaid expenses	5,630,655	4,456,611
Total Current Assets	115,113,010	32,859,092
Property and equipment, net	143,818	148,854
Other Assets		
Goodwill	14,740,031	14,740,031
Technology assets, net	4,589,126	5,251,822
Patent rights, net	2,155,026	2,349,570
Right of use assets, net	328,820	445,974
Other intangible assets, net	3,902,502	4,519,552
Security deposits and other assets	12,859	12,859
Total Other Assets	25,728,364	27,319,808
TOTAL ASSETS	$ 140,985,192	$ 60,327,754
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable – trade	$ 606,808	$ 618,250
Accrued expenses	2,902,836	2,420,361
Revenue share payable	4,378,216	4,969,868
Current portion of lease liabilities	90,982	123,220
Contingent purchase price payable	—	1,610,813
Deferred revenue	1,389,907	285,795
Total Current Liabilities	9,368,749	10,028,307
Non-current Liabilities		
Lease liabilities, net of current portion	236,726	325,533
Total Liabilities	9,605,475	10,353,840
Commitments and contingencies (See Note 14)		
Stockholders' Equity		
Preferred stock, $0.001 par value, 10,000,000 shares authorized, none issued and outstanding at December 31, 2021 and 2020,	—	—
Common stock, $0.001 par value, 166,666,667 shares authorized, 17,860,975 and 15,223,340 shares issued and outstanding at December 31, 2021 and 2020, respectively	17,861	15,223
Additional paid-in-capital	166,615,514	85,590,428
Accumulated deficit	(35,253,658)	(35,631,737)
Total Stockholders' Equity	131,379,717	49,973,914
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 140,985,192	$ 60,327,754

The accompanying notes are an integral part of these financial statements.

OPTIMIZERx CORPORATION
Consolidated Statements of Operations

	For the year ended December 31, 2021	For the year ended December 31, 2020
Revenue	$ 61,292,598	$ 43,313,323
Cost of revenues	25,654,384	19,207,902
Gross margin	35,638,214	24,105,421
Operating Expenses		
Stock-based compensation	5,491,957	3,172,840
Depreciation, amortization, and noncash lease expense	2,086,454	2,075,888
Other general and administrative expenses	27,698,703	20,992,012
Total operating expenses	35,277,114	26,240,740
Income (loss) from operations	361,100	(2,135,319)
Other income (expense)		
Interest income	16,979	68,582
Change in fair value of contingent consideration	—	(140,390)
Total other income (expense)	16,979	(71,808)
Income (loss) before provision for income taxes	378,079	(2,207,127)
Income tax benefit	—	—
Net income (loss)	$ 378,079	$ (2,207,127)
Weighted average number of shares outstanding – basic	17,228,019	14,827,923
Weighted average number of shares outstanding – diluted	17,690,489	14,827,923
Income (loss) per share – basic	$ 0.02	$ (0.15)
Income (loss) per share – diluted	$ 0.02	$ (0.15)

The accompanying notes are an integral part of these financial statements.

OPTIMIZERx CORPORATION
Consolidated Statement of Stockholders' Equity for the Year Ended December 31, 2021

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
Balance, January 1, 2021	15,223,340	$ 15,223	$ 85,590,428	$ (35,631,737)	$ 49,973,914
Stock-based compensation expense					
Options	—	—	2,709,781	—	2,709,781
Restricted Stock	3,333	3	2,532,088	—	2,532,091
Issuance of common stock:					
For board compensation	4,730	5	250,080	—	250,085
For stock options exercised	1,105,822	1,106	4,863,125	—	4,864,231
Public offering of common shares, net of offering costs	1,523,750	1,524	70,670,012	—	70,671,536
Net income for the year	—	—	—	378,079	378,079
Balance, December 31, 2021	17,860,975	$ 17,861	$ 166,615,514	$ (35,253,658)	$ 131,379,717

The accompanying notes are an integral part of these financial statements.

OPTIMIZERx CORPORATION
Consolidated Statement of Stockholders' Equity for the Year Ended December 31, 2020

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
Balance, January 1, 2020	14,600,579	$ 14,601	$ 78,272,268	$ (33,424,610)	$ 44,862,259
Stock-based compensation expense					
Options	—	—	1,884,202	—	1,884,202
Restricted Stock	84,746	84	838,430	—	838,514
Issuance of common stock:					
For board compensation	28,809	29	450,095	—	450,124
For stock options exercised	414,705	415	2,487,979	—	2,488,394
For contingent purchase price and escrow hold back	94,501	94	1,657,454	—	1,657,548
Net loss for the year	—	—		(2,207,127)	(2,207,127)
Balance, December 31, 2020	15,223,340	$ 15,223	$ 85,590,428	$ (35,631,737)	$ 49,973,914

The accompanying notes are an integral part of these financial statements.

OPTIMIZERx CORPORATION
Consolidated Statements of Cash Flows

	For the year ended December 31, 2021	For the year ended December 31, 2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ 378,079	$ (2,207,127)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	1,965,325	1,971,083
Noncash lease expense	121,129	104,805
Increase in bad debt reserve	80,000	200,000
Stock-based compensation	5,491,957	3,172,840
Change in fair value of contingent consideration	—	140,390
Changes in:		
Accounts receivable	(6,994,880)	(10,667,680)
Prepaid expenses and other assets	(1,174,044)	(3,517,700)
Accounts payable	(11,442)	125,255
Revenue share payable	(591,652)	3,351,430
Accrued expenses and other	482,475	1,416,884
Change in operating lease liabilities	(125,020)	(106,347)
Deferred revenue	1,104,112	(294,219)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	726,039	(6,310,386)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(100,322)	(68,041)
Acquisition of intangible assets, including intellectual property rights	(21,511)	(11,932)
Capitalized software development costs	(364,166)	(44,752)
NET CASH USED IN INVESTING ACTIVITIES	(485,999)	(124,725)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common stock, net of offering costs	70,671,536	—
Proceeds from exercise of stock options	4,864,231	2,488,394
Payment of contingent consideration	(1,610,813)	(4,389,187)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	73,924,954	(1,900,793)
NET INCREASE (DECREASE IN) CASH AND CASH EQUIVALENTS	74,164,994	(8,335,904)
CASH AND CASH EQUIVALENTS – BEGINNING OF PERIOD	10,516,776	18,852,680
CASH AND CASH EQUIVALENTS – END OF PERIOD	$ 84,681,770	$ 10,516,776
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	$ —	$ —
Cash paid for income taxes	$ —	$ —
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Acquisition liabilities paid in stock	$ —	$ 1,657,548

The accompanying notes are an integral part of these financial statements.

NOTE 1 – ORGANIZATION AND NATURE OF BUSINESS

OptimizeRx is a digital health technology company enabling care-focused engagement between life sciences organizations, healthcare providers, and patients at critical junctures throughout the patient care journey. Connecting over 60% of U.S. healthcare providers and millions of their patients through an intelligent technology platform embedded within a proprietary point-of-care network, OptimizeRx helps patients start and stay on their medications.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America and are presented in US dollars.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions have been made in determining the carrying value of assets, depreciable and amortizable lives of tangible and intangible assets, the carrying value of liabilities, the valuation allowance for the deferred tax asset, the timing of revenue recognition and related revenue share expenses, and inputs used in the calculation of stock based compensation. Actual results could differ from these estimates.

Principles of Consolidation

The financial statements reflect the consolidated results of OptimizeRx Corporation, a Nevada corporation, and its wholly owned subsidiaries: OptimizeRx Corporation, a Michigan corporation, RMDY Health, Inc., a Delaware corporation, CareSpeak Communications, Inc., a New Jersey corporation, Cyberdiet, a controlled foreign corporation incorporated in Israel, and CareSpeak Communications D.O.O., a Controlled Foreign Corporation incorporated in Croatia. Together, these companies are referred to as "OptimizeRx" and "the Company." All material intercompany transactions have been eliminated.

Reclassifications

Certain items in the previous year financial statements have been reclassified to match the current year presentation.

Foreign Currency

The Company's functional currency is the U.S. dollar, however it pays certain expenses related to its two foreign subsidiaries in the local currency, which is the sheckel for its subsidiary in Israel and the kuna for its Croatian subsidiary. All transactions are recorded at the exchange rate at the time of payment. If there is a time lag between the time of recording the liability and the time of payment, a gain or loss is recorded in the Consolidated Statement of Operations due to any fluctuations in the exchange rate.

Cash and Cash Equivalents

For purposes of the accompanying financial statements, the Company considers all highly liquid instruments, consisting of money market accounts, with an initial maturity of three months or less to be cash equivalents.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value of Financial Instruments

Fair value is defined as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity. In addition, the fair value of liabilities should include consideration of non-performance risk including our own credit risk.

In addition to defining fair value, the disclosure requirements around fair value establish a fair value hierarchy for valuation inputs, which is expanded. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels, which is determined by the lowest level input that is significant to the fair value measurement in its entirety. These levels are:

Level 1 – Inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.

Level 2 – Inputs are based upon significant observable inputs other than quoted prices included in Level 1, such as quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques. The Company's stock options and warrants are valued using level 3 inputs.

The following tables present the fair values and carrying values of the Company's financial assets and liabilities measured on a recurring basis as of December 31, 2021 and 2020 and the valuation techniques used by the Company to determine those fair values.

	2021				
	Level 1	Level 2	Level 3	Fair Value	Carrying Value
Liabilities					
Contingent Purchase Price Payable	$ —	$ —	$ —	$ —	$ —

	2020				
	Level 1	Level 2	Level 3	Fair Value	Carrying Value
Liabilities					
Contingent Purchase Price Payable (1)	$ —	$ —	$ 1,610,813	$ 1,610,813	$ 1,610,813

(1) The contingent consideration is based off achieving certain revenue milestones in each of the next two years. The Geometric-Brownian motion analysis was used to generate spot prices for use in an option pricing model. For 2020, the final payout had been determined and was paid in 2021.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The following table provides a summary of changes in fair value of the Company's Level 3 financial instruments for the years ended December 31, 2021 and 2020.

	Amount
Balance December 31, 2019	$ 6,720,000
Payment of CareSpeak Communication contingent consideration	(1,389,187)
Payment of RMDY Health, Inc. contingent consideration	(3,860,390)
Increase in the value of the RMDY Health, Inc. contingent consideration	140,390
Balance December 31, 2020	1,610,813
Payment of CareSpeak Communication contingent consideration	(1,610,813)
Balance December 31, 2021	$ —

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are reported at realizable value, net of allowances for doubtful accounts, which is estimated and recorded in the period the related revenue is recorded. The Company has a standardized approach to estimate and review the collectability of its receivables based on a number of factors, including the period they have been outstanding. Historical collection and payer reimbursement experience is an integral part of the estimation process related to allowances for doubtful accounts. In addition, the Company regularly assesses the state of its billing operations in order to identify issues, which may impact the collectability of these receivables or reserve estimates. Because the Company's customers are primarily large well-capitalized companies, historically there has been very little bad debt expense. Bad debt expense was $80,000 for the year ended December 31, 2021 and $200,000 for the year ended December 31, 2020. The allowance for doubtful accounts was $241,219 and $158,163 as of December 31, 2021 and 2020, respectively. From time to time, we may record revenue based on our revenue recognition policies described below in advance of being able to invoice the customer. Included in accounts receivable are unbilled amounts of $2,110,865 and $757,218 at December 31, 2021, and December 31, 2020, respectively.

Property and Equipment

Property and equipment are stated at cost and are being depreciated over their estimated useful lives of three to five years for office equipment and three years for computer equipment using the straight-line method of depreciation for book purposes. Maintenance and repair charges are expensed as incurred.

Intangible Assets

Intangible assets are stated at cost. Finite-lived assets are being amortized over their estimated useful lives of fifteen to seventeen years for patents, eight years for customer relationships, fifteen years for tradenames, four years for covenants not to compete, and three to four years for software and websites, all using the straight-line method. These assets are evaluated when there is a triggering event. There was no impairment of our intangible assets in either year presented.

Goodwill

We evaluate goodwill for impairment during our fiscal fourth quarter, or more frequently if an event occurs or circumstances change. Our analysis determined that there was no impairment of our goodwill.

Revenue Recognition

Recognition of revenue requires evidence of a contract, probable collection of proceeds, and completion of substantially all performance obligations. We use a 5-step model to recognize revenue. These steps are: identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract, and recognize revenue when or as the performance obligations are satisfied.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues are primarily generated from content delivery activities in which the Company delivers financial, clinical, or brand messaging through a distribution network of eprescribers and electronic health record technology providers (channel partners), directly to consumers, or from reselling services that complement the business. This content delivery for a customer is referred to as a program. Unless otherwise specified, revenue is recognized based on the selling price to customers.

The Company's contracts are generally all less than one year and the primary performance obligation is delivery of messages, or content, but the contract may contain additional services. Additional services may include program design, which is the design of the content delivery program, set up, and reporting. We consider set up and reporting services to be complimentary to the primary performance obligation and recognized through performance of the delivery of content. We consider program design and related consulting services to be performance obligations separate from the delivery of messages.

As the content is distributed through the platform and network of channel partners (a transaction), these transactions are recorded, and revenue is recognized, over time as the distributions occur. Revenue for transactions can be realized based on a price per message, a price per redemption, as a flat fee occurring over a period of time, or upon completion of the program, depending on the client contract. The Company recognizes setup fees that are required for integrating client offerings and campaigns into the rule-based content delivery system and network over the life of the initial program, based either on time, or units delivered, depending upon which is most appropriate in the specific situation. Should a program be cancelled before completion, the balance of set up revenue is recognized at the time of cancellation, as set up fees are nonrefundable. Additionally, the Company also recognizes revenue for providing program performance reporting and maintenance, either by the Company directly delivering reports or by providing access to its online reporting portal that the client can utilize. This reporting revenue is recognized over time as the messages are delivered. Program design, which is the design of the content delivery program, and related consulting services are recognized as services are performed.

The majority of our revenue is earned from life sciences companies, such as pharmaceutical and biotech companies, or medical device makers. A small portion of our revenue is earned from other sources, such as associations and technology companies. A break down is set forth in the table below.

	2021	2020
Life Science Companies	$ 59,018,033	$ 41,358,746
Other	2,274,565	1,954,577
Total Revenue	$ 61,292,598	$ 43,313,323

Revenues (cont.)

In some instances, we license certain of our software applications in arrangements that do not include other performance obligations. In those instances, we record license revenue when the software is delivered for use to the license. In instances where our contracts included Software as a service, the revenue is recognized over the subscription period as services are delivered to the customer.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In some instances, the Company also resells messaging solutions that are available through channel partners that are complementary to the core business and client base. These partner specific solutions are frequently similar to our own solutions and revenue recognition for these programs is the same as described above. In instances where the Company sells solutions on a commission basis, net revenue is recognized based on the commission-based revenue split that the Company receives. There were no programs recorded on a net basis in the years presented. In instances where the Company resells these messaging solutions and has all financial risk and significant operation input and risk, the Company records the revenue based on the gross amount sold and the amount paid to the channel partner as a cost of sales.

<u>Cost of Revenues</u>

The primary cost of revenue is revenue share expense. Based on the volume of transactions that are delivered through the channel partner network, the Company provides a revenue share to compensate the partner, or others, for their promotion of the campaign. Revenue shares are a negotiated percentage of the transaction fees and can also be specific to special considerations and campaigns.

<u>Income Taxes</u>

Income taxes are computed using the asset and liability method. Under the asset and liability method, deferred income tax assets and liabilities are determined based on the differences between the financial reporting and tax basis of assets and liabilities and are measured using the currently enacted tax rates and laws. A valuation allowance is provided for the amount of deferred tax assets that, based on available evidence, are not expected to be realized.

The Company recognizes the tax benefit from uncertain tax positions if it is more likely than not that the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. It is the Company's policy to include interest and penalties related to tax positions as a component of income tax expense.

<u>Concentration of Credit Risks</u>

The Company maintains its cash and cash equivalents in bank deposit accounts, which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts; however, amounts in excess of the federally insured limit may be at risk if the bank experiences financial difficulties. As of December 31, 2021 and 2020 the Company had $83,312,524 and $9,936,806, respectively, in cash balances in excess of federally insured limits, primarily at Bank of America/Merrill Lynch.

<u>Research and Development</u>

The Company expenses research and development expenses as incurred. There was no research and development expense for the years ended December 31, 2021 and 2020.

<u>Stock-based Compensation</u>

The Company uses the fair value method to account for stock-based compensation. The fair value of the equity instrument is charged directly to compensation expense and additional paid-in capital over the period during which services are rendered. The fair value of each award is estimated on the date of each grant.

For restricted stock awards, the fair value is based on the market value of the Company's common stock on the date of grant. For market based restricted stock units, the fair value is estimated using a Monte Carlo simulation model. This valuation technique includes estimating the movement of stock prices and the effects of volatility, interest rates and dividends.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For options, fair value is estimated using the Black-Scholes option pricing model that uses the following assumptions. Estimated volatilities are based on the historical volatility of the Company's common stock over the same period as the expected term of the options. The expected term of options granted represents the period of time that options granted are expected to be outstanding. The Company uses historical data to estimate option exercise behavior and to determine this term. The risk-free rate used is based on the U.S. Treasury yield curve in effect at the time of the grant using a time period equal to the expected option term. The Company has never paid dividends and do not expect to pay any dividends in the future.

	2021	2020
Expected dividend yield	0%	0%
Risk free interest rate	0.19% - 0.67%	0.16% - 1.63%
Expected option term	3.5 years	3.5 years
Turnover/forfeiture rate	0%	0%
Expected volatility	67% - 70%	65% - 71%
Weighted average grant date fair value	$ 26.36	$ 5.49

The Black-Scholes option valuation model and other existing models were developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. These option valuation models require the input of, and are highly sensitive to, subjective assumptions including the expected stock price volatility. The Company's stock options have characteristics significantly different from those of traded options, and changes in the subjective input assumptions could materially affect the fair value estimate.

Loss Per Common and Common Equivalent Share

The computation of basic (loss) earnings per common share is computed using the weighted average number of common shares outstanding during the year. The computation of diluted (loss) earnings per common share is based on the basic weighted average number of shares outstanding during the year plus common stock equivalents, which would arise from the exercise of options and warrants outstanding using the treasury stock method and the average market price per share during the year. The number of common shares potentially issuable upon the exercise of certain options that were excluded from the diluted loss per common share calculation in 2020 was 820,059 related to options, and 91,667 related to restricted stock units, for a total of 911,726 because they are anti-dilutive, as a result of a net loss for the year ended December 31, 2020.

The computation of weighted average shares outstanding and the basic and diluted earnings per common share for the years ended December 31, 2021 and 2020 consisted of the following:

	Net Income	Shares	Per Share Amount
Year ended December 31, 2021			
Basic EPS	$ 378,079	17,228,019	$ 0.02
Diluted EPS	$ 378,079	17,690,489	$ 0.02

	Net (Loss)	Shares	Per Share Amount
Year ended December 31, 2020			
Basic EPS	$ (2,207,127)	14,827,923	$ (0.15)
Diluted EPS	$ (2,207,127)	14,827,923	$ (0.15)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets

The Company continually monitors events and changes in circumstances that could indicate carrying amounts of long-lived assets may not be recoverable. When such events or changes in circumstances are present, the Company assesses the recoverability of long-lived assets by determining whether the carrying value of such assets will be recovered through undiscounted expected future cash flows. If the total of the future cash flows is less than the carrying amount of those assets, the Company recognizes an impairment loss based on the excess of the carrying amount over the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell.

Segment reporting

We operate in one reportable segment. Overall, our business involves connecting life science companies to patients and providers. We have a common customer base for all of our solutions, which are primarily all communications with healthcare providers or patients on behalf of life science customers. Our customers are geographically located in the U.S although we have two technology centers located internationally. We do not prepare separate internal income statements by solutions as our focus is on selling enterprise arrangements covering multiple solutions that span the entire patient journey with a specific brand.

Recently Issued Accounting Guidance

In December, 2019, the FASB issued ASU No. 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes. ASU 2019-12 is intended to improve consistent application and simplify the accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and clarifies and amends existing guidance. ASU 2019-12 was effective for us as of January 1, 2021 The adoption of this standard did not have a material effect on our financial position, results of operations, or cash flows.

Not Yet Adopted

ASU Topic 2021-08 Business Combinations (Topic 805), Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, which requires contract assets and contract liabilities acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with ASC 606, Revenue from Contracts with Customers, as if it had originated the contracts. The standard is effective for the Company's fiscal year beginning January 1, 2023, with early adoption permitted. The Company is currently evaluating the effect of this pronouncement on its Consolidated Financial Statements, but it is not expected to have a material impact.

NOTE 3 – PREPAID EXPENSES

Prepaid expenses consisted of the following as of December 31, 2021 and 2020:

	2021	2020
Prepaid revenue share and exclusivity payments	4,266,668	3,750,000
EHR access fees	250,000	317,726
Data	168,462	29,408
Insurance	156,327	77,887
Other	789,198	281,590
Total prepaid expenses	$ 5,630,655	$ 4,456,611

NOTE 4 – PROPERTY AND EQUIPMENT

The Company owned equipment recorded at cost, which consisted of the following as of December 31, 2021 and 2020:

	2021	2020
Computer equipment	$ 267,917	$ 169,247
Furniture and fixtures	200,250	198,665
	468,167	367,912
Less accumulated depreciation	324,349	219,058
Property and equipment, net	$ 143,818	$ 148,854

Depreciation expense was $105,360 and $95,202 for the years ended December 31, 2021 and 2020, respectively.

NOTE 5 – INTANBIGLE ASSETS

Goodwill

Our goodwill is related to the acquisitions of RMDY Health, Inc. in 2019 and CareSpeak Communications in 2018. Goodwill is generally not amortizable for tax purposes and is not amortizable for financial statement purposes.

Intangible Assets

Intangible assets included on the consolidated balance sheets consist of the following:

	December 31, 2021			Weighted
	Gross Carrying Amount	Accumulated Amortization	Net	Average Life Remaining
Patent rights	$ 3,362,898	$ 1,207,872	2,155,026	9.6
Technology Assets	$ 8,548,930	$ 3,959,804	4,589,126	4.9
Other intangible assets				
Tradename	$ 3,586,000	$ 537,900	3,084,100	12.7
Non-compete agreements	1,093,000	899,635	193,365	0.6
Customer relationships	923,000	261,963	661,037	8.4
Total other	5,602,000	1,699,498	3,902,502	
Total Intangibles	$ 17,513,828	$ 6,867,174	10,646,654	

NOTE 5 – INTANBIGLE ASSETS (CONTINUED)

	December 31, 2020			Weighted
	Gross Carrying Amount	Accumulated Amortization	Net	Average Life Remaining
Patent rights	$ 3,341,388	$ 991,818	2,349,570	11.5
Technology Assets	$ 8,184,765	$ 2,932,943	5,251,822	7.7
Other intangible assets				
Tradename	$ 3,586,000	$ 298,833	3,287,167	13.7
Non-compete agreements	1,093,000	611,885	481,115	1.6
Customer relationships	923,000	171,730	751,270	9.8
Total other	5,602,000	1,082,448	4,519,552	
Total Intangibles	$ 17,128,153	$ 5,007,209	12,120,944	

Intangibles are being amortized on a straight-line basis over the following estimated useful lives.

Patents	15 – 17 years
Tradenames	15 years
Non-compete agreements	2 – 4 years
Customer relationships	8 – 15 years
Technology assets	3 – 10 years

The Company recorded amortization expense of $1,859,965 and $1,875,882 in the years ended December 31, 2021 and 2020, respectively. Expected future amortization expenses of the intangibles assets as of December 31, 2021 is as follows:

Year ended December 31,	
2022	$ 1,532,756
2023	1,203,639
2024	1,203,639
2025	1,131,058
2026	1,009,499
Thereafter	4,566,063
Total	$ 10,646,654

NOTE 6 – DEFERRED REVENUE

The Company has several signed contracts with customers for the distribution of financial messaging, or other services, which include payment in advance. The payments are not recorded as revenue until the revenue is earned under its revenue recognition policy discussed in Note 2. Deferred revenue was $1,389,908 and $285,795 as of December 31, 2021 and 2020, respectively. These contracts are all short term in nature and all revenue is expected to be recognized within 12 months, or less. Following is a summary of activity in the deferred revenue account for the year ended December 31, 2021.

Balance January 1, 2021	$	285,795
Revenue recognized		(18,006,973)
Amount collected		19,111,086
Balance December 31, 2021	$	1,389,908

Following is a summary of activity in the deferred revenue account for the year ended December 31, 2020.

Balance January 1, 2020	$	580,014
Revenue recognized		(16,260,166)
Amount collected		15,680,152
Balance December 31, 2020	$	285,795

NOTE 7 – RELATED PARTY TRANSACTIONS

During the year ended December 31, 2010, the Company acquired the technical contributions and assignment of all exclusive rights to and for a key patent in process at the time from a former CEO in exchange for a total payment in shares of common stock and options valued at $930,000 at the time of the acquisition and recorded the patent at that cost. That patent remains in Patents on the consolidated balance sheet as of December 31, 2021.

Jim Lang, one of our Board Members, is the CEO of Eversana, a leading global provider of services to the life sciences industry. Eversana is similar to other customers we generate revenue from, such as agencies or resellers. During the year ended December 31, 2021, we have recognized $218,333 in revenue from contracts engaged with Eversana. No revenues were recognized in 2020 related to contracts with Eversana. These contracts were sourced by Eversana on behalf of life science customers of theirs. The contracts are at market rates and were generated in the normal course of business.

NOTE 8 – CONTINGENT PURCHASE PRICE

Our purchase of CareSpeak Communications contained a contingent element that would be paid only if the Company achieved certain patient engagement revenues in 2019 and 2020. The total contingent payment could have been up to $3.0 million. The target patient engagement revenues were achieved in both 2019 and in 2020. The calculated fair value of the contingent payment was $3,000,000 at December 31, 2019 and $1,610,813 at December 31, 2020. The final required payment was made in 2021.

Our purchase of RMDY Health, Inc. also contained a contingent element that would be paid only if the Company achieves certain revenues in 2020 and 2021 related to the RMDY business. The total contingent payment could have been up to $30.0 million. The minimum payment was $1.0 million in each of the two years. The calculated fair value of the contingent payment was $3,720,000 at December 31, 2019. We determined the fair value of the Contingent Purchase Price Payable at December 31, 2019 using a Geometric-Brownian motion analysis of the expected revenue and resulting earnout payment using inputs that include the spot price, a risk free rate of return of 1.4%, a term of 2 years, and volatility of 35%. During 2020, we reached agreement with the former shareholders of RMDY to fix the liability at $3.75 million, payable in a combination of cash and stock. Because of the change in the share price between the date of agreement and the date of payment, the amount recorded for the stock amount varied from the agreed amount. The liability was paid in full during 2020 and was paid with a $3.0 million cash payment and the remainder in shares of common stock.

NOTE 8 – CONTINGENT PURCHASE PRICE (CONTINUED)

There was no contingent purchase price payable at December 31, 2021.

The total fair value of contingent purchase price payable at December 31, 2020 is as follows.

	Current	Long-Term	Total
CareSpeak Communications, Inc.	$ 1,610,813	—	$ 1,610,813
RMDY Health	—	—	—
Total	$ 1,610,813	—	$ 1,610,813

NOTE 9 – STOCKHOLDERS' EQUITY

Preferred Stock

The Company has 10,000,000 shares of preferred stock, $.001 par value per share, authorized as of December 31, 2021. No shares were issued or outstanding in either 2020 or 2021.

Common Stock

The Company had 166,666,667 shares of common stock, $.001 par value per share, authorized as of December 31, 2021. There were 17,860,975 and 15,223,340 shares of common stock issued and outstanding at December 31, 2021 and 2020, respectively.

During the quarter ended March 31, 2021, in an underwritten primary offering, we issued 1,523,750 shares of our common stock for gross proceeds of $75,425,625. In connection with this transaction, we incurred equity issuance costs of $4,754,089 related to payments to the underwriter, advisors and legal fees associated with the transaction, resulting in net proceeds to the Company of $70,671,536.

The Company had a Director Compensation plan covering its independent non-employee Directors that was in effect through June 30, 2021. A total of 4,730 and 28,809 shares were granted and issued in the years ended December 31, 2021 and 2020, respectively, in connection with this compensation plan. These shares were valued at $250,085 and $450,124, respectively. The plan was changed to grant restricted stock units under the Company's 2021 Equity compensation plan and those grants are reflected in the information in Note 10.

We issued 1,105,822 shares of common stock and received proceeds of $4,864,231 in 2021 in connection with the exercise of options. We also issued 414,705 shares of common stock and received proceeds of $2,488,394 in 2020 in connection with the exercise of options.

We issued 3,333 shares of common stock in 2021 and 84,746 shares of common in stock in 2020 in connection with the vesting of restricted stock units and discussed in greater detail in Note 10, Stock Compensation.

NOTE 10 – STOCK COMPENSATION

The Company sponsors two stock-based incentive compensation plans.

The first plan is known as the 2013 Incentive Plan (the "2013 Plan") and was established by the Board of Directors of the Company in June 2013. The 2013 Plan, as amended, authorized the issuance of 3,000,000 shares of Company common stock. The amended plan was approved by shareholders. A total of 671,011 shares of common stock underlying options and 145,550 shares of common stock underlying restricted stock unit awards were outstanding at December 31, 2021. In connection with the adoption of a new plan in 2021, the Company froze the 2013 Plan. At December 31, 2021, there were no shares available for grant under the 2013 Plan.

In 2021, the Company adopted a new plan known as the 2021 Equity Incentive Plan ("2021 Plan"). The plan was established by the Board of Directors and approved by shareholders in August 2021. A total of 2,500,000 shares are authorized for issuance under the 2021 Plan. A total of 112,536 shares of common stock underlying options and 254,188 shares of common stock underlying restricted stock unit awards were outstanding at December 31, 2021. At December 31, 2021, 2,133,276 shares were available for grant under the 2021 Plan.

NOTE 10 – STOCK COMPENSATION (CONTINUED)

The 2021 Plan allows the Company to grant incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock, restricted stock units, performance awards and other stock-based awards. Incentive stock options may only be granted to persons who are regular full-time employees of the Company at the date of the grant of the option. Non-qualified options may be granted to any person, including, but not limited to, directors, officers, employees and consultants, who the Company's Board or Compensation Committee determines. The exercise price of options granted under the 2021 Plan must be equal to at least 100% of the fair market value of our common stock as of the date of the grant of the option. Options granted under the 2021 Plan are exercisable as determined by the Compensation Committee and specified in the applicable award agreement. In no event will an option be exercisable after ten years from the date of grant.

The compensation cost that has been charged against income related to options for the years ended December 31, 2021 and 2020, was $2,709,781 and $1,884,202, respectively. No income tax benefit was recognized in the consolidated statements of income and no compensation was capitalized in any of the years presented.

The Company had the following option activity during the year ended December 31, 2021 and 2020:

	Number of Options	Weighted average exercise price	Weighted average remaining contractual life (years)	Aggregate intrinsic value $
Outstanding at January 1, 2020	1,624,221	$ 6.27		
Granted	467,549	$ 11.39		
Exercised	(420,586)	$ 6.45		
Expired or forfeited	(125,666)	$ 13.09		
Outstanding at December 31, 2020	1,545,518	$ 7.31	2.3	$ 36,862,947
Granted	424,588	$ 54.34		
Exercised	(1,137,065)	$ 7.33		
Expired or forfeited	(49,494)	$ 24.57		
Outstanding, December 31, 2021	783,547	$ 34.17	3.4	$ 23,368,961
Exercisable, December 31, 2021	197,271	$ 10.87	2.1	$ 10,109,168

NOTE 10 – STOCK COMPENSATION (CONTINUED)

The table below reflects information for the total options outstanding at December 31, 2021

Range of Exercise Prices	Number of Options	Weighted average remaining contractual life (years)	Weighted average exercise price
$2.46 to $10.00	127,005	1.1	$ 4.05
$10,00 to $20.00	166,945	2.8	$ 12.51
$20.00 to $40.00	180,561	3.9	$ 30.52
$40.00 to $60.00	196,500	4.3	$ 51.88
$60.00 to $96.70	112,536	4.7	$ 75.19
Total	783,547	3.4	$ 34.17

The table below reflects information for the vested options outstanding at December 31, 2021.

Range of Exercise Prices	Number of Options	Weighted average remaining contractual life (years)	Weighted average exercise price
$2.46 to $10.00	78,669	0.9	$ 3.76
$10,00 to $20.00	89,938	2.5	$ 13.36
$20.00 to $40.00	28,664	3.9	$ 22.52
$40.00 to $60.00	—	—	—
$60.00 to $96.70	—	—	—
Total	197,271	2.1	$ 10.87

A summary of the status of the Company's nonvested options as of December 31, 2021, and changes during the year ended December 31, 2021, is presented below.

Nonvested Options	Options	Weighted-Average Exercise Price
Nonvested at January 1, 2021	331,006	$ 12.44
Granted	424,588	54.34
Vested	(119,823)	11.23
Forfeited	(49,495)	24.57
Nonvested at December 31, 2021	586,276	$ 42.01

There is $9,685,867 of expense remaining to be recognized over a period of approximately 2.4 years related to options outstanding at December 31, 2021.

NOTE 10 – STOCK COMPENSATION (CONTINUED)

The Company had the following restricted stock unit ("RSU") activity during the years ended December 31, 2021 and 2020:

	Number of RSUs	Grant date fair value	Weighted average remaining contractual life (years)
Outstanding at January 1, 2020	90,000	$ 10.43	
Granted	94,746	$ 8.98	
Shares issued	(84,746)	$ 7.54	
Outstanding at December 31, 2020	100,000	$ 11.51	2.4
Granted	303,556	$ 66.30	
Forfeited	(485)	$ 61.82	
Shares issued	(3,333)	$ 21.20	
Outstanding at December 31, 2021	399,738	$ 52.99	3.3

The Company granted restricted stock units of 303,556 and 94,746 units in 2021 and 2020, respectively, and valued at $20,125,861 and $850,985, respectively. These restricted stock units vest over a period of 1.6 to 5 years. The Company recognized expense of $2,532,091 and $838,514 in 2021 and 2020, respectively, related to these restricted stock units. A total of $18,389,797 remains to be recognized at December 31, 2021 over a period of 3.0 years.

Of the restricted stock units issued in 2021, 182,938 are market-based awards that vest if the Company's stock price hits certain price targets and maintains that price for 30 days. A total of 60,191, 60,191, and 62,016 units vest if the stock price hits $98.87, $131.82, $164.78, respectively.As described in Note 2, these market-based restricted stock units were valued using a Monte Carlo simulation model, with expected vesting in 1.6, 2.25, and 2.71 years, respectively, for the three price targets.

NOTE 11 – LEASES

In February 2016, the Financial Accounting Standards Board ("FASB") issued new accounting guidance on leases. The accounting standard, effective January 1, 2019, requires virtually all leases to be recognized on the balance sheet. Under the guidance, we have elected not to separate lease and non-lease components in recognition of the lease-related assets and liabilities, as well as the related lease expense.

We have operating leases with terms greater than 12 months for office space in three multitenant facilities, which are recorded as assets and liabilities. The lease on our headquarters space in Rochester, Michigan expires November 30, 2023, with a renewal option through 2025, with monthly rent payable at rates ranging from $6,384 to $6,688. We have assumed renewal of the lease. We also have a lease on office space in Cranbury, New Jersey, which expired in January 2022 with a monthly payment of $3,158, as well as a lease of approximately $1,883 per month in Zagreb, Croatia expiring in 2024.

Lease-related assets, or right-of-use assets, are recognized at the lease commencement date at amounts equal to the respective lease liabilities, adjusted for prepaid lease payments, initial direct costs, and lease incentives received. Lease-related liabilities are recognized at the present value of the remaining contractual fixed lease payments, discounted using our incremental borrowing rate. Operating lease expense is recognized on a straight-line basis over the lease term, while variable lease payments are expensed as incurred.

NOTE 11 – LEASES (CONTINUED)

For the years ended December 31, 2021 and 2020, the Company's lease cost consisted of the following components, each of which is included in operating expenses within the Company's consolidated statements of operations:

	2021	2020
Operating lease cost	$ 132,305	$ 119,954
Short-term lease cost (1)	52,375	130,216
Total lease cost	$ 184,680	$ 250,170

(1) Short-term lease cost includes any lease with a term of less than 12 months.

The table below presents the future minimum lease payments to be made under operating leases as of December 31, 2021:

For the year ending December 31,	
2022	103,418
2023	100,260
2024	80,550
2025	70,224
Total	354,452
Less: present value discount	26,744
Total lease liabilities	$ 327,708

The weighted average remaining lease term for operating leases is 3.6 years and the weighted average discount rate used in calculating the operating lease asset and liability is 4.5%. Cash paid for amounts included in the measurement of lease liabilities was $124,919. For the year ended December 31, 2021, payments on lease obligations were $142,284 and amortization on the right of use assets was $121,129. For the year ended December 31, 2020, payments on lease obligations were $138,019 and amortization on the right of use assets was $104,805.

NOTE 12 – MAJOR CUSTOMERS AND VENDORS

The Company had the following customers that accounted for 10% or greater of revenue in either 2021 or 2020. No other customers accounted for more than 10% of revenue in either year presented.

	2021		2020	
	$	%	$	%
Customer A	14,268,819	23.0	5,037,888	11.6
Customer B	5,206,305	8.5	4,824,454	11.1
Customer C	3,157,075	5.2	5,469,126	12.1

Our accounts receivable included 2 agencies that represented multiple customers that individually made up more than 10% of our accounts receivable at December 31, 2021 in the percentages of 33.5% and 12.2%. As of December 31, 2020, our accounts receivable included 4 entities, including agencies that represented multiple customers that individually made up more than 10% of our accounts receivable in the percentages of 19.7%, 16.2%, 15.8% and 14.4%.

NOTE 12 – MAJOR CUSTOMERS AND VENDORS (CONTINUED)

The Company generates its revenues through its EHR and ePrescribe partners. It had two key partners and/or vendors through which 10% or greater of its revenue was generated in either 2021 or 2020 as set forth below. The amounts in the table below reflect the amount of revenue generated through those partners.

	2021		2020	
	$	%	$	%
Partner A	33,041,503	53.9	22,813,574	52.7
Partner B	9,554,266	15.6	7,092,477	16.4

NOTE 13 – INCOME TAXES

As of December 31, 2021, the Company had net operating loss carry-forwards for federal income tax purposes of approximately $26.4 million, consisting of pre-2018 losses in the amount of approximately $13.2 million that expire from 2021 through 2037, and post-2017 losses in the amount of approximately $13.2 million that will never expire. These net operating losses are available to offset future taxable income. The Company was formed in 2006 as a limited liability company and changed to a corporation in 2007. Activity prior to incorporation is not reflected in the Company's corporate tax returns. In the future, the cumulative net operating loss carry-forward for income tax purposes may differ from the cumulative financial statement loss due to timing differences between book and tax reporting.

The provision for Federal income tax consists of the following for the years ended December 31, 2021 and 2020:

	2021	2020
Federal income tax benefit (expense) attributable to:		
Current operations	$ (79,000)	$ 463,000
State tax effect, net of federal benefit	582,000	—
State rate change	397,000	—
Change in fair value of contingent consideration	—	(29,000)
Option exercise benefits, net of Section 162M limitations	2,171,000	207,000
Other permanent items	(9,000)	(7,000)
Other adjustments	(30,000)	104,000
NOLs expiring	(26,000)	(209,000)
Valuation allowance	(3,006,000)	(529,000)
Net provision for federal income tax	$ —	$ —

	2021	2020
Current tax benefit (expense) - Federal	$ —	$ —
Deferred tax benefit (expense) - Federal	—	—
Adjustment of valuation allowance from business combination	—	—
Total tax benefit (expense) on income	$ —	$ —

NOTE 13 – INCOME TAXES (CONTINUED)

The cumulative tax effect of significant items comprising our net deferred tax amount at the expected rate of 21% is as follows as of December 31, 2021 and 2020:

	2021	2020
Deferred tax asset attributable to:		
Net operating loss carryover	$ 6,887,000	$ 4,057,000
Stock compensation	809,000	353,000
Operating lease liability	88,000	94,000
Fixed Assets	13,000	—
Other	85,000	44,000
Deferred tax asset	$ 7,882,000	$ 4,548,000
Deferred tax liabilities attributable to:		
Intangibles	$ (2,490,000)	$ (2,181,000)
Operating lease right of use assets	(88,000)	(94,000)
Other	(41,000)	(16,000)
Deferred tax liability	$ (2,619,000)	$ (2,291,000)
Net deferred tax asset	$ 5,263,000	2,257,000
Valuation allowance	(5,263,000)	(2,257,000)
Net deferred tax asset, net of valuation allowance	$ —	$ —

The ultimate realization of deferred tax assets is dependent upon the Company's ability to generate sufficient taxable income during the periods in which the net operating losses expire and the temporary differences become deductible. The Company has determined that there is significant uncertainty that the results of future operations and the reversals of existing taxable temporary differences will generate sufficient taxable income to realize the deferred tax assets; therefore, a valuation allowance has been recorded. In making this determination, the Company considered historical levels of income, projections for future periods, and the significant amount of tax deductions to be generated from the future exercise of stock options.

The tax years 2018 to 2021 remain open for potential audit by the Internal Revenue Service. There are no uncertain tax positions as of December 31, 2020 or December 31, 2021, and none are expected in the next 12 months. The Company's foreign subsidiaries are cost centers that are primarily reimbursed for expenses, as a result they generate an immaterial amount of income or loss. Pretax book income (loss) is all from domestic operations. Up to four years of returns remain open for potential audit in foreign jurisdictions, however any audits for periods prior to ownership by the Company are the responsibility of the previous owners.

Under certain circumstances issuance of common shares can result in an ownership change under Internal Revenue Code Section 382, which limits the Company's ability to utilize carry-forwards from prior to the ownership change. Any such ownership change resulting from stock issuances and redemptions could limit the Company's ability to utilize any net operating loss carry-forwards or credits generated before this change in ownership. These limitations can limit both the timing of usage of these laws, as well as the loss of the ability to use these net operating losses. It is likely that fundraising activities have resulted in such an ownership change.

NOTE 14 – COMMITMENTS AND CONTINGENT LIABILITIES

Legal

The Company is not involved in any legal proceedings.

Revenue-share contracts

The Company has contracts with various electronic health records systems and ePrescribe platforms, whereby we agree to share a portion of the revenue we generate for eCoupons distributed through their networks. These contracts grant audit rights related to the payments to our partners, and, in some cases would require us to pay for the audit if the audit determined there was an underpayment and the underpayment meets certain thresholds, such as 10%. From time to time the Company enters into arrangements with a partner to acquire minimum amounts of messaging capabilities. As of December 31, 2021, the Company had commitments for future minimum payments of $3.4 million that will be reflected in cost of revenues during the years from 2022 through 2023. Minimum payments are due in 2022 and 2023, in the amounts of $2.65 million and $0.75 million, respectively.

NOTE 15 – RETIREMENT PLAN

The Company sponsors a defined contribution 401(k) profit sharing plan which was adopted in December 2015, effective in January 2016. Under the terms of the plan, the Company matches 100% of the first 3% of payroll contributed by the employee and 50% of the next 2% of payroll contributed by the employee to a maximum of 4% of an employee’s payroll. There was expense of $343,221 and $373,027 recorded in 2021 and 2020, respectively, for the Company’s contributions to the plan.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures.

We maintain disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosures.

In connection with the Company's Original Filing, our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, conducted an evaluation, as of the end of the period covered by this report, of the effectiveness of our disclosure controls and procedures, as such term is defined in Exchange Act Rule 13a-15(e). Based on this evaluation, at the time the Company filed the Original Filing, our Chief Executive Officer and our Chief Financial Officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures, as defined in Rule 13a-15(e), were effective at the reasonable assurance level.

However, because of the material weakness in our internal control over financial reporting identified by a subsequent review described below, our management, with the participation of our Chief Executive Officer and Chief Financial Officer, re-evaluated our disclosure controls and procedures and concluded such controls were not effective as of December 31, 2021. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a Company's annual or interim financial statements will not be prevented or detected on a timely basis.

Notwithstanding the material weakness, our management has concluded, based on substantive testing performed, that the Company's consolidated financial statements included in the Original Filing fairly present in all material respects the Company's financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, in conformity with accounting principles generally accepted in the United States.

Management's Report on Internal Control Over Financial Reporting.

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f). Internal control over financial reporting is a process designed 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 in the United States of America. The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, any system of internal control over financial reporting, no matter how well defined, may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2021. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control — Integrated Framework (2013)*. Based on this assessment using those criteria, at the time the Company filed the Original Filing, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2021.

Subsequent to the Original Filing, UHY LLP, our independent registered public accounting firm, advised the Company that in the course of a post-engagement review, they believed that a potential undisclosed weakness in our internal control over financial reporting may have existed as of December 31, 2021. As a result, we re-evaluated, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, the effectiveness of the Company's internal control over financial reporting and identified the following material weakness existed as of December 31, 2021: inadequate controls to ensure that data received from third-party service organizations is complete and accurate. As a result, the Company's management has concluded that we did not maintain effective internal control over financial reporting as of December 31, 2021, based on the criteria in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Accordingly, management has revised its report on internal control over financial reporting.

UHY LLP, our independent registered public accounting firm that audited the consolidated financial statements included in our previously filed Annual Report on Form 10-K for the year ended December 31, 2021, has reissued an adverse audit report on the effectiveness of the Company's internal control over financial reporting as of December 31, 2021 dated February 28, 2022, except as to the restatement of the effectiveness of internal control over financial reporting which is as of March 10, 2023. This reissued audit report is included in Item 8 of this Amendment No. 1 and is incorporated by reference herein.

Plan for Remediation of Material Weakness

Management is actively engaged in the planning for, and implementation of, remediation efforts to address the material weakness identified above. Management intends to implement the following remediation steps:

- The Company will require each third-party service organization to provide a SOC-1, Type 2 report to us.

- If a SOC-1, Type 2 report is not available, the Company will evaluate each third-party's relevant system(s) and reporting directly through inquiry and substantive testing of such third-party's control environment.

Management believes the measures described above will remediate the material weakness that we have identified. As management continues to evaluate and improve our disclosure controls and procedures and internal control over financial reporting, the Company may decide to take additional measures to address control deficiencies or determine to modify, or in appropriate circumstances not to complete, certain of the remediation measures identified.

Changes in Internal Control Over Financial Reporting.

There was no change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act), that occurred during the quarter ended December 31, 2021 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART IV

Item 15. Exhibits and Financial Statements Schedules

(a) The consolidated financial statements and exhibits listed below are filed as part of this Annual Report on Form 10-K.

(1) The Company's consolidated financial statements, the notes thereto and the report of the Independent Registered Public Accounting Firm are included in PART II, Item 8. "Financial Statements and Supplementary Data."

(2) Financial statement schedules have been omitted because they are not applicable, not required, or the required information is included in the Consolidated Financial Statements or Notes thereto.

(3) Exhibits. Reference is made to Item 15(b) below.

(b) *Exhibits*. The Exhibit Index, which immediately precedes the signature page, is incorporated by reference into this Annual Report on Form 10-K.

(c) *Financial Statement Schedules*. Reference is made to Item 15(a)(2) above.

EXHIBIT INDEX

Exhibit Number	Description
3.1	Articles of Incorporation of OptimizeRx Corporation (the "Company") Incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form S-1 (Registration No. 333-155280) filed on November 12, 2008.
3.2	Certificate of Correction, dated April 30, 2018. Incorporated by reference to Exhibit 3.5 to the Company's Annual Report on Form 10-K for the year ended December 31, 2018.
3.3	Second Amended and Restated Bylaws of the Company. Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on June 25, 2021.
4.1	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934. Incorporated by reference to Exhibit 4.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2021 filed on February 28, 2022.
10.1†	Fourth Amended and Restated 2013 Equity Incentive Plan. Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 12, 2020.
10.2†	OptimizeRx 2021 Equity Incentive Plan. Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on August 25, 2021.
10.3†	Form of Stock Option Award for grants under the OptimizeRx Corporation 2021 Equity Incentive Plan. Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on August 25, 2021.
10.4†	Form of Performance Stock Option Award for grants under the OptimizeRx Corporation 2021 Equity Incentive Plan. Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on August 25, 2021.
10.5†	Form of Restricted Stock Unit Award for grants under the OptimizeRx Corporation 2021 Equity Incentive Plan. Incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed on August 25, 2021.
10.6†	Form of Performance Restricted Stock Unit Award for grants under the OptimizeRx Corporation 2021. Incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K filed on August 25, 2021
10.7†	Amended Employment Agreement by and between the Company and William J. Febbo. Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 26, 2019.
10.8†	Amendment to the Employment Agreement with William Febbo. Incorporated by reference to Exhibit 10.4 to the Company's Annual Report on Form 10-K for the year ended December 31, 2019.
10.9 †	Addendum to the Employment Agreement with William J. Febbo. Incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021.
10.10*†	Third Addendum to the Employment Agreement with William J. Febbo,. Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 19, 2021.
10.11†	Amended Employment Agreement with Miriam Paramore. Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on September 14, 2018.
10.12†	Amendment to the Employment Agreement with Miriam Paramore. Incorporated by reference to Exhibit 10.6 to the Company's Annual Report on Form 10-K for the year ended December 31, 2019.
10.13†	Letter Agreement by and between the Company and Miriam Paramore. Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 22, 2021.
10.14†	Employment Agreement by and between the Company and Stephen Silvestro. Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 3, 2019.
10.15†	Amendment to the Employment Agreement with Stephen Silvestro. Incorporated by reference to Exhibit 10.5 to the Company's Annual Report on Form 10-K for the year ended December 31, 2019.
10.16†	Employment Agreement with Marion Odence-Ford. Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 11, 2021.
10.17*†	Offer Letter by and between the Company and Edward Stelmakh. Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 30, 2021.
14.1	Code of Business Conduct and Ethics Incorporated by reference to Exhibit 14.1 to the Company's Current Report on Form 8-K filed on June 25, 2021.

21.1	List of Subsidiaries Incorporated by reference to Exhibit 21.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2021 filed on February 28, 2022.
23.1**	Consent of UHY LLP
31.1**	Certification of Chief Executive Officer pursuant to Securities Exchange Act Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2**	Certification of Chief Financial Officer pursuant to Securities Exchange Act Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS**	Inline XBRL Instance Document
101.SCH	Inline XBRL Schema Document
101.CAL	Inline XBRL Calculation Linkbase Document
101.DEF	Inline XBRL Definition Linkbase Document
101.LAB	Inline XBRL Label Linkbase Document
101.PRE	Inline Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

† Management Contracts and Compensatory Plans, Contracts or Arrangements.

* Exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted exhibit to the SEC upon request.

** Provided herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

OptimizeRx Corporation

By:	/s/ William J. Febbo
	William Febbo
Title:	Chief Executive Officer
Date:	March 10, 2023
By:	/s/ Edward Stelmakh
	Edward Stelmakh
Title:	Chief Financial Officer Chief Operations Officer
Date:	March 10, 2023

UHY LLP
Certified Public Accountants

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the registration statements on Form S-3 (File No. 333-252844) and Forms S-8 (File Nos. 333-259218; 333-23760; 333-230212, 333-210653 and 333-189439) of OptimizeRx Corporation and Subsidiaries (the "Company") of our reports dated February 28, 2022, except as to the restatement of the effectiveness of internal control over financial reporting for the material weakness related to the Company's inability to obtain evidence about the effectiveness of controls at third-party service organizations, which is as of March 10, 2023, with respect to the consolidated financial statements of OptimizeRx Corporation and Subsidiaries as of and for the years ended December 31, 2021 and 2020, and the effectiveness of internal control over financial reporting of OptimizeRx Corporation and Subsidiaries as of December 31, 2021, which reports appear in this annual report on Form 10-K/A of the Company.

Our report dated February 28, 2022, except as to the restatement of the effectiveness of internal control over financial reporting for the material weakness related to the Company's inability to obtain evidence about the effectiveness of controls over financial reporting at third-party service organizations, which is as of March 10, 2023, on the effectiveness of internal control over financial reporting as of December 31, 2021, expresses our opinion that the Company did not maintain effective internal controls over financial reporting.

/s/ UHY LLP

Sterling Heights, Michigan
March 10, 2023

Exhibit 31.1

CERTIFICATIONS

I, William J. Febbo, certify that;

1. I have reviewed this annual report on Form 10-K/A for the year ended December 31, 2021 of OptimizeRx Corp (the "registrant");

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: March 10, 2023

/s/ William J. Febbo

By: William J. Febbo
Title: Chief Executive Officer, Principal Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Edward Stelmakh, certify that;

1. I have reviewed this annual report on Form 10-K/A for the year ended December 31, 2021 of OptimizeRx Corp (the "registrant");

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: March 10, 2023

/s/ Edward Stelmakh

By: Edward Stelmakh
Title: Chief Financial Officer, Principal Financial Officer
and Principal Accounting Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER 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 annual Report of OptimizeRx Corp (the “Company”) on Form 10-K/A for the year ended December 31, 2021 filed with the Securities and Exchange Commission (the “Report”), I, William J. Febbo, Chief Executive Officer of the Company, and I, Edward Stelmakh, certify, 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) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the consolidated financial condition of the Company as of the dates presented and the consolidated result of operations of the Company for the periods presented.

By:	/s/ William J. Febbo
Name:	William J. Febbo
Title:	Chief Executive Officer, Principal Executive Officer
Date:	March 10, 2023

By:	/s/ Edward Stelmakh
Name:	Edward Stelmakh
Title:	Chief Financial Officer, Principal Financial Officer and Principal Accounting Officer
Date:	March 10, 2023

This certification has been furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.