

Retailers are making multibillion-dollar healthcare investments and acquisitions










Article

Big retailers are accumulating assets from across the healthcare ecosystem. This includes adding pharmacy and health insurance capabilities, as well as provider services such as home

health, telehealth, primary, specialty, and urgent care.

- **Retailers want to establish a presence in the \$4.3 trillion US healthcare market.** The US spends more per capita on healthcare than any other developed nation, according to The Commonwealth Fund, yet patients still struggle to access convenient and affordable care. Retailers are seizing the opportunity to challenge incumbent providers on their ability to deliver tech-focused accessible care with transparent pricing—while also profiting from the potentially lucrative value-based care (VBC) market.
- **CVS Health, Walgreens, and Amazon have been on healthcare buying sprees over the past year.** CVS spent nearly \$19 billion to acquire senior-focused primary care player Oak Street Health and home health tech company Signify Health; Amazon dropped \$3.9 billion on primary care startup One Medical; and Walgreens-backed VillageMD teamed up with Cigna to buy multispecialty physician group Summit Health, the parent entity of urgent care provider CityMD, for \$8.9 billion.
- **Retailers keep adding pieces to their healthcare portfolios.** For example, CVS already owns health insurer Aetna and a pharmacy benefit manager, Caremark. Walgreens' VillageMD augmented its Summit Health buy with an acquisition of multispecialty group Starling Physicians in March 2023. And last year, Walmart—which bought telehealth company MeMD in 2021—entered into a 10-year partnership with UnitedHealth Group.

How 5 US Retailers Are Expanding Into Healthcare

	 Telehealth services	 In-house retail health clinics	 Primary care companies	 Home health companies
	✓	Over 1,100 MinuteClinics and 968 HealthHubs	Owns primary care provider Oak Street Health	Owns home health risk assessor Signify Health
	✓	210 co-located clinics with VillageMD	<ul style="list-style-type: none"> Is the majority owner of primary care provider VillageMD Partially owns multispecialty provider Summit Health-CityMD 	Owns home health tech company CareCentrix
	✓		Owns primary care provider One Medical	
	✓	227 Little Clinics		
	Owns telehealth provider MeMD	32 Walmart Health centers		

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Retailers Deliver Healthcare

