

Big Tech Countdown: Amazon's 5 most impressive healthcare plays in 2021

Article

Here's a look back at Amazon's most significant moves in healthcare throughout 2021, and what they might signal for the tech giant in 2022.

1. In March, Amazon Care joined forces with top health systems to lobby for home care reimbursement—a move that foreshadowed Amazon’s plans to build out its offerings for seniors.

- Amazon teamed up with home health startups like **Dispatch Health** and major health systems like **Intermountain Healthcare** and **Ascension** to form the **Moving Home Health Coalition**.
- Lobbying Congress is costly, but with Amazon on board, hospitals gained access to more funding muscle to advocate for permanent home health policies: Amazon spent \$18 million on lobbying expenditures the same year Ascension only spent \$1 million, for instance.
- **In fact, our prediction that Amazon would double down on senior offerings came true.** Later in the year, Amazon launched a new subscription-based senior care service **Alexa Together** to help family members keep tabs on elderly individuals through fall detection.

2. In late March, Amazon confirmed it’s expanding its telehealth business, Amazon Care, to its employees in all 50 states—and it made the tech available to all of its employer clients.

- Targeting employers before direct-to-consumers is a wise move on Amazon’s part: **Employers spend around \$880 billion on healthcare each year**—and as those costs rise, employers are betting on virtual care to cut them down.
- **And about 80% of employers think virtual care** will play a bigger role in their health benefits in the future, per Mercer’s 2020 National Survey of Employer-Sponsored Health Plans.
- In June, Amazon indicated it secured multiple Amazon Care employer clients—which means we could see more businesses get on board with the tech next year.

3. In May, Amazon nabbed its first Amazon Care employer client, Peloton-owned Precor, setting its telehealth business up for hyper growth next year.

- At the time, we posited that more employers would follow suit since Amazon’s other healthcare ventures could seamlessly complement its telehealth offerings to create an ecosystem for employers.
- For example, Amazon Pharmacy could complement the medical care consumers receive from Amazon Care service. And Amazon’s HIPAA-compliant Alexa could be used to make appointments or to monitor health.

4. In June, Amazon launched a new functionality for its Halo wearable that measures movement and flexibility via a smartphone camera and cloud-based AI—but privacy

concerns are still limiting consumer adoption.

- Unlike competitors like Apple, Amazon doesn't have a proprietary smartphone to lean on—which is probably why it's relying more heavily on unique health tracking functionalities like measuring body fat and voice tone.
- But there's still uncertainty regarding how Halo's Movement Health algorithm is trained—and consumers are wary of Big Tech handling their health data: **Around 52% of consumers** say they're not willing to share their health data with Amazon, [per](#) Rock Health.

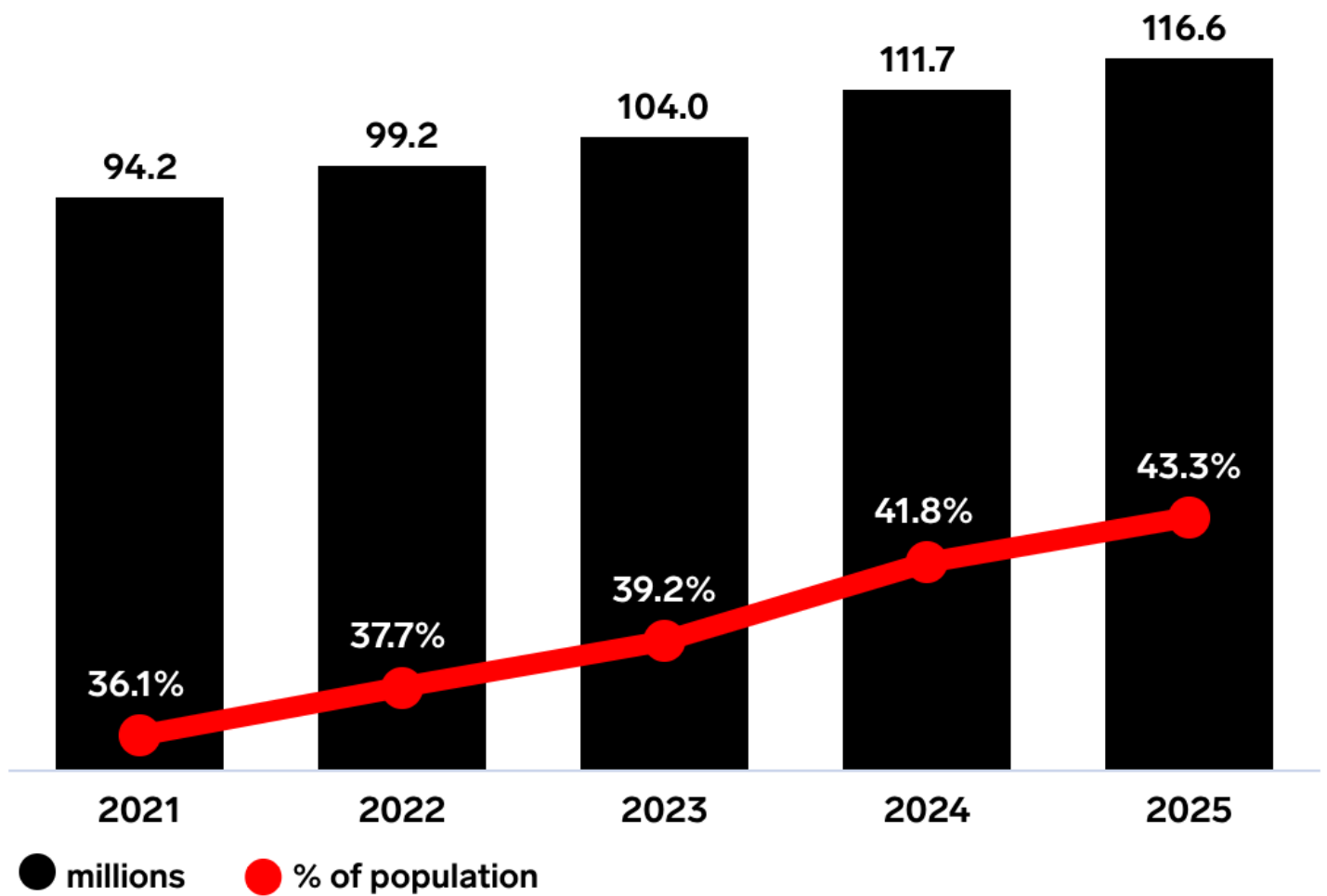
5. In July, Amazon Web Services (AWS) made Amazon HealthLake available to all AWS customers—spelling trouble for cloud competitors.

- AWS' HealthLake standardizes unstructured clinical data (like clinical notes or imaging info) in a way that makes it easy to unlock meaningful insights.
- Digital health transformation is spurring an explosion of digitized health data—making analytics capabilities more important than ever.
- With a specialized health analytics platform and Amazon's growing suite of healthcare businesses (like Amazon Care), it's a threat to cloud providers like Microsoft Azure and Google Cloud that have been trying to bite off a larger piece of the growing healthcare analytics market.

Dig deeper: To learn more about how Amazon is becoming a dominant player in direct-to-consumer healthcare services, check out our [Amazon Delivers Healthcare Report](#).

Telehealth Users

US, 2021-2025



Source: eMarketer, August 2021

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