

Northwell Health, Walgreens' 5-year partnership highlights health system-retail clinics symbiosis

Article

The news: NY-based health system **Northwell Health** and **Walgreens** announced a five-year strategic partnership to improve population health and advance health equity in NY communities by expanding digital and retail health services to Walgreens consumers and Northwell patients and employees.



What this looks like: Northwell Health's telehealth services (powered by **Amwell**) will be available through Walgreens' Find Care platform, and Walgreens' pharmacy services will become an in-network benefit for Northwell employees.

Why it matters: Health systems are partnering with retail health companies because they offer something health systems lack: convenience and accessibility.

- For example, **CVS' MinuteClinics** are affiliated with nearly 60 health systems across 27 states (including Northwell Health)

- **Walmart's** employee health-focused Centers of Excellence program [partners](#) with 17 health systems
- And Walgreens itself has [19 partnerships](#) with health systems to operate its retail health clinics.

Convenience is key: 77% of US consumers have one or more prescriptions that require regular pharmacy visits, and of those, 56% said they would consider retail health visits, [per](#) Upshow's 2021 survey.

It's not hard to imagine why so many consumers are interested in using retail health clinics for healthcare visits: Around half of retail health appointments happen after hours—which is often more convenient than appointments at health system locations during normal business hours.

What's in it for Northwell, which already has a large footprint in New York State? It could be a preemptive move for the health system to shield itself from competitors that are moving in on the retail health and primary care space in NY.

- For example, **Summit Medical Group** has been growing its 80-plus clinic locations since it merged with **CityMD** in 2019: Currently, it has 141 locations in New York and employs over 700 doctors.
- By partnering with Walgreens, Northwell can quickly scale its retail health locations and combat the risk of competing primary care clinics poaching patients from its network.

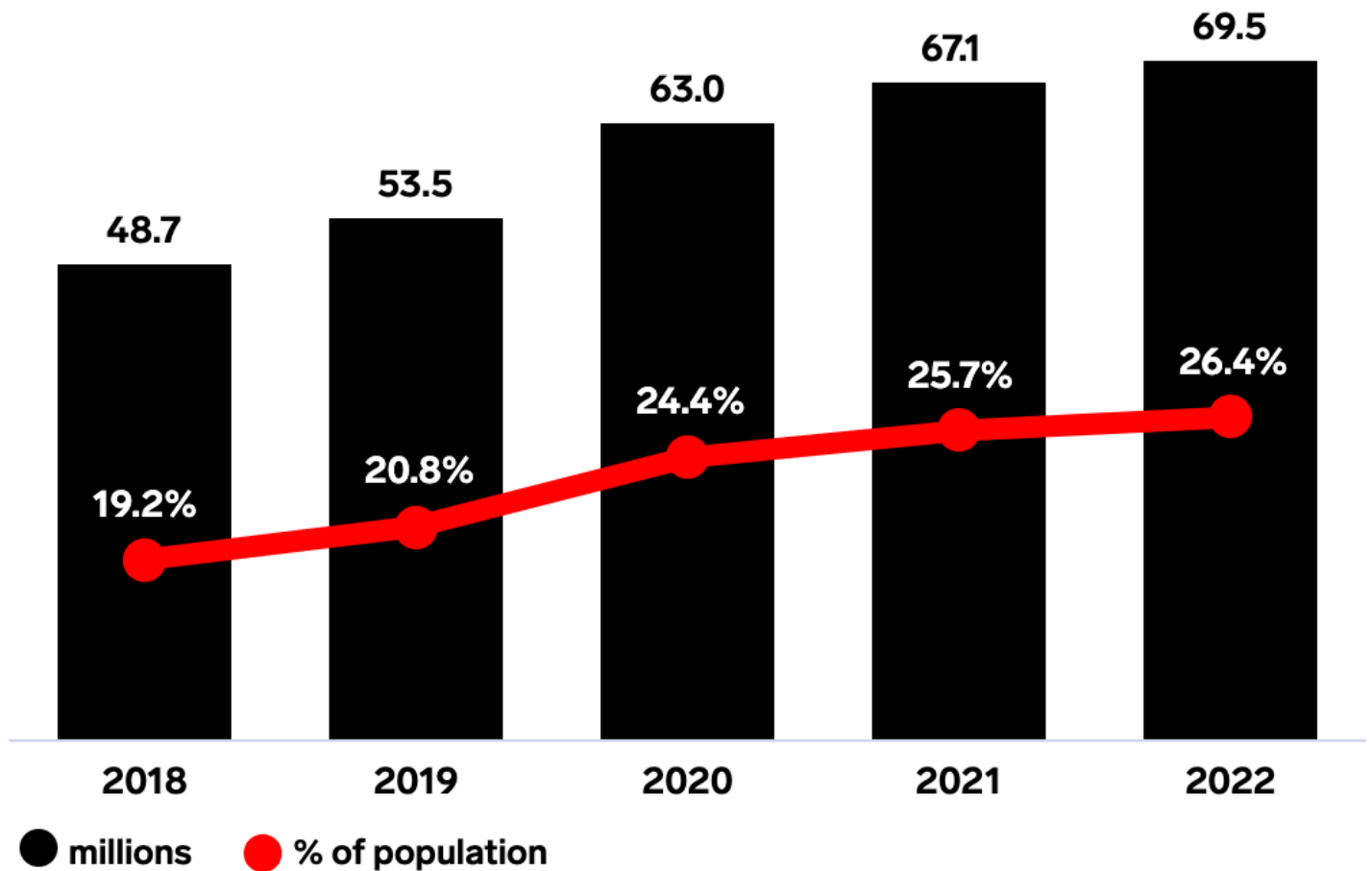
Walgreens doubled down on its VillageMD partnership in the past year—so why isn't VillageMD part of the deal? Northwell Health has significant brand recognition among New York-based patients—Walgreens could capture more consumers with Northwell-affiliated retail health clinics than it would with VillageMD.

- Not many consumers trust retail healthcare players yet: **27% of US adults** said they don't really trust retail health clinics, [per](#) a May 2021 national poll by Morning Consult.

Market snapshot: We estimate that **retail clinic patients will grow to 69.5 million** (26.4% of the US population) by 2022—up from 48.7 million (19.2% of the US population) in 2018.

Retail Clinic Patients

US, 2018-2022



Source: eMarketer, January 2021

eMarketer | InsiderIntelligence.com

Go deeper: Curious about how the pandemic shaped the trajectory of retail health clinics? Check out our recent note: [How retail health clinics are banking on the COVID-19 bump.](#)