

Amazon Pharmacy takes on drug discount platforms like GoodRx

Article

The news: This week at the ViVE healthcare conference, **Amazon Pharmacy** announced it's launching a prescription discount savings card—**MedsYourWay**—to **Blue Cross Blue Shield** (BCBS) health plans in states like New Jersey, Nebraska, Alabama, Florida, and Kansas.

- The discount card will be administered by prescription discount platform **InsideRx** and offered through pharmacy benefit manager (PBM) **Prime Therapeutics**, per Fierce

Healthcare.

What this means: Amazon already has an Rx savings card—but it's only available for Prime members. Partnering with an insurer could signal that Amazon Pharmacy is expanding its drug discount reach.

Amazon Prime's Rx benefit card already offers Prime members **up to 80% savings** when paying for prescriptions without insurance, which can be fulfilled either through Amazon Pharmacy or local pharmacies like **CVS, Walgreens, and Kroger**.

Now, it appears Amazon is expanding its prescription discounts to insurers, which could introduce a sizable number of new members to its pharmacy:

- **BCBS of New Jersey has over 3.6 million enrollees**, for instance.

The bigger picture: Amazon Pharmacy's drug discount expansion plans could be a direct competitive threat to medication price transparency companies like **GoodRx** and **Marc Cuban's** pharmacy.

For context, GoodRx's website provides members transparency on how much a prescription drug traditionally costs, and how much someone would be saving with GoodRx's discounts.

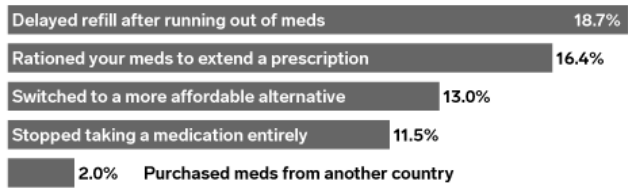
- Its strategy to curb rising medication prices has paid off, especially since consumers are more interested in drug discounts now more than ever. **About 30% of patients say their out-of-pocket prescription drug costs have grown** over the past year, [per](#) a 2021 GoodRx survey of 1,000+ US adults.
- As a result, consumers are seeking out drug discounts from players like GoodRx. The company said it **grew revenues 39% annually to \$213 million** in Q4'21, **driven primarily by its prescription-related offerings**.

And unlike other digital pharmacies, Mark Cuban's recently launched direct-to-consumer pharmacy (**MCCPDC**) [posts](#) exactly how much customers are paying for the drug, including a breakdown of manufacturing, markup, and pharmacy labor costs.

Now that Amazon is tossing its hat into the drug discount ring and partnering with insurers like BCBS, it's not far off to imagine its prescription discount card becoming more popular among consumers this year. It certainly has the consumer mindshare and an advantage of convenience—both of which could pull in more pharmacy customers.

Changes in Medication Adherence Due to Prescription Drug Cost According to US Adults*, Feb 2021

% of respondents



Note: n=1,029 ages 18+; in the past year; 38.8% of respondents have made at least one of the changes; *among those who take a prescription medication for an ongoing condition such as diabetes or high blood pressure
Source: GoodRx, "Medication Debt Survey" conducted by Google Surveys as cited in company blog, March 22, 2021

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