

Walmart Health plans big Florida push

Article

The news: Walmart Health [plans](#) to open **16 more health centers** in the metro areas of Jacksonville, Orlando, and Tampa, Florida by fall 2023.

How we got here: Walmart Health's first standalone clinic opened in September 2019 next to the Walmart Supercenter in Dallas, Georgia, some 38 miles northwest of Atlanta.

- Since then, **some 23 more clinics have opened** beside supercenters located in Arkansas, Florida, Georgia, Illinois, and Texas.

- Each clinic offers primary and urgent care, labs, x-ray and diagnostics, behavioral health, dental, optometry, and hearing services all in one facility and for **low cash prices** (e.g., \$25 for a dentist visit, \$40 for a primary care visit).
- Beginning in January 2023, 15 centers in Florida and Georgia will offer comprehensive value-based care to certain Medicare Advantage patients.

Why it matters: For Walmart, it's always about delivering low prices, even in healthcare.

Its first disruptive healthcare move came in September 2006, when it announced its Florida stores would sell 291 generic drugs for just \$4 per script. The program quickly expanded across the US and set off a price war among other pharmacy providers.

Expansion into other areas of health continues:

- In July 2020, Walmart filed to become an **insurance broker** to sell **Medicare Advantage, Part D** and **supplemental Medicare** plans.
- In May 2021, Walmart acquired telehealth provider **MeMD**, since rebranded as Walmart Health Virtual Care.
- Its September 2022 partnership with **UnitedHealth Group** on Medicare Advantage **plans** in select Florida and Georgia locations was seen as just the beginning by industry players.

Why it doesn't matter...so much: Walmart's 3,573 US supercenters make it the 800-ton retail gorilla, particularly in medically underserved rural areas. That would seem like an advantage, but:

- The Dallas clinic was supposed to be just the beginning for a vast network of Walmart Health clinics, per an interview then-Walmart Health head Sean Slovenski gave to Insider that month.
- Insider later reported that Walmart's board in 2018 had **signed off on a plan to build 4,000 primary care clinics by 2029** with the goal to become "America's neighborhood health destination."
- Operating just 40 health centers by Q4 2023 is just a drop in the bucket.

Our take: The pandemic changed a lot of plans for healthcare providers. Retail health clinics quickly shifted to telehealth visits, selling at-home COVID-19 tests, and rolling out vaccination programs. Everyone lost some forward momentum.

Walmart Health still could be a major healthcare disruptor. The idea to provide high-quality, lower-cost healthcare services to people in medically underserved communities isn't new.

But the concept of low cash prices for a wide range of healthcare services *is* new. If Americans come to expect that quality healthcare can be accessed for guaranteed low costs, it would be a gamechanger. But not until Walmart Health physically provides those services across its massive US footprint.

Locations for Routine Care Delivery According to US Healthcare Leaders, 2021 & 2024

% of respondents

Out-of-hospital procedural environments (e.g., ambulatory surgical centers, office-based labs, etc.)



Ambulatory primary care centers (e.g., urgent care, walk-in clinics, etc.)



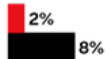
Community centers



Long-term care/rehabilitation facilities (e.g., nursing homes, etc.)



Home



Pharmacies and other retail locations



None of the above



■ 2021 ■ 2024

Note: n=200

Source: Phillips and iResearch Services, "Future Health Index 2021," May 5, 2021

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