

# Walmart's latest healthcare moves could boost its bottom line

Article

**The news:** Walmart is getting serious about expanding its healthcare initiatives, perhaps in response to [changing consumer shopping behaviors](#).

It announced three new initiatives in 2023:

- **Walmart Health** plans to open 28 more clinics in 2024 and move into two new states, bringing its total to 75 in seven states, per the company's blog.
- The company also announced a **three-year partnership with CareSource**, a not-for-profit health insurer, to address health disparities in underserved populations.
- That follows a deal with **Johnson & Johnson** and CareSource to expand community resources for Black mothers in Georgia.

**Walmart Health gets bigger:** There are currently 32 Walmart Health clinics in Arkansas, Florida, Georgia, Illinois, and Texas, with [16 more health centers](#) slated to open in Florida by fall of 2023.

- Walmart will expand into two new states, Arizona and Missouri, with 6 locations in Phoenix and 4 in metro Kansas City. Its Texas presence will grow by 18 locations—10 new ones in Dallas and 8 more in Houston.
- **The new Walmart Health clinics will be located inside Walmart Supercenters**—not adjacent to supercenters as they have been—to integrate the Walmart Health experience with everyday shopper foot traffic.

**The CareSource connection:** Dayton, Ohio-based CareSource is a managed care organization with more than 2 million members, mostly in managed Medicaid plans.

- The partnership will begin in Ohio with a focus on cardiometabolic conditions such as heart disease, stroke, hypertension, and diabetes.
- The partnership will **use in-store health workers** to conduct state-approved health risk and social needs assessments.
- CareSource members will be advised on community resources, life skills support, and health literacy education.
- **Eligible members will receive monthly funds to spend on food, as well as a Walmart+ membership at no cost**, and access to tele-nutrition services to help improve health outcomes.

**Helping Black mothers in Georgia:** In January, Johnson & Johnson Consumer Health teamed up with Walmart to support CareSource's Mom and Baby Beginnings program.

- The program provides a range of maternity products, education, and services for Black women and all pregnant people.
- J&J is supporting research by Morehouse School of Medicine into the causes of health inequities among pregnant Black women and community resources that could help close that gap.

**Our take:** Money talks. Walmart opened its first Walmart Health clinic in Georgia in September 2019, but has been slow to expand those primary care centers to more states where rural healthcare delivery is dwindling due to hospital closures.

- One **setback** was losing its head, Dr. Cheryl Pegus, to JP Morgan Health in November 2022.

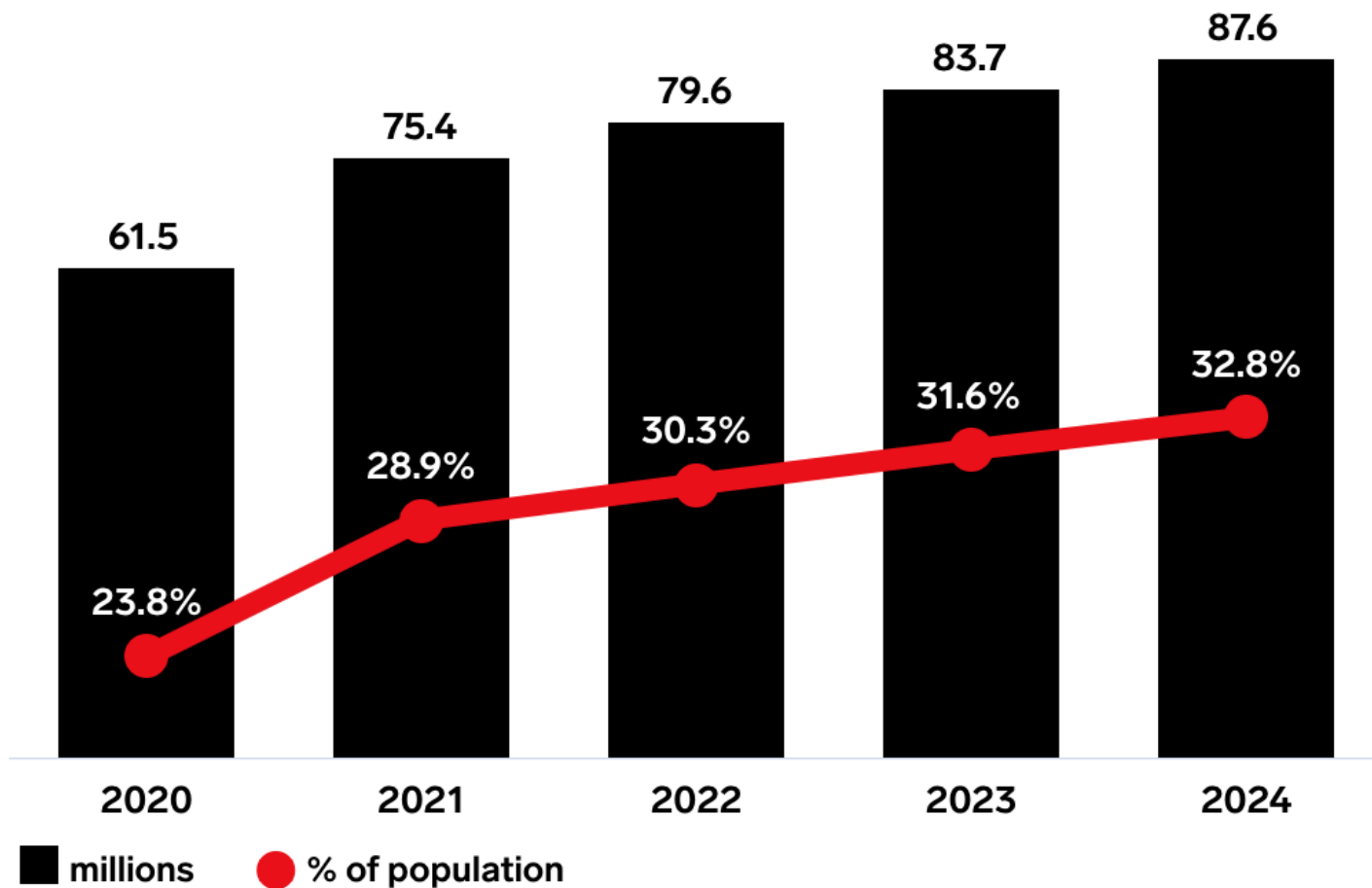
Although Walmart ended 2022 on a strong financial note, consumers clearly reined in their spending on essentials like groceries, which have much tighter margins than items like apparel.

- Expanded healthcare services and clinics could guarantee more frequent shopping trips that include primary care, dental, vision, and other health-related appointments.
- **Offering Walmart+ memberships to eligible CareSource members creates an incentive to spend money in the store—even on groceries.**

**Go deeper** with [\*The Power of Walmart: How 12 Walmart Businesses Drive the Big-Box Retailer's Growth.\*](#)

## Retail Clinic Patients

US, 2020-2024



Note: ages 18+; adults who visit retail clinics in-person at least once during the calendar year; examples include CVS MinuteClinic, Walgreens Healthcare Clinic, Kroger's The Little Clinic, Walmart Care Clinic, etc.

Source: eMarketer, November 2022

[InsiderIntelligence.com](https://www.insiderintelligence.com)

Check out our [US Retail Clinic Patients](#) forecast.

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