

# Amazon stretches into another corner of healthcare: diagnostics

Article

**Amazon** is mulling the launch of an at-home medical diagnostics business/third-party marketplace for home-diagnostics services, [according to](#) an exclusive report from Insider. In March, the FDA cleared Amazon's at-home COVID-19 testing kit, and the tech giant is reportedly planning to expand into other testing areas like sexually transmitted diseases and genetics. For context, Amazon's in-house COVID-19 testing lab, dubbed **Project Ultraviolet**,

formed last April, and is internally referred to as “**Amazon Diagnostics**”—a sign that it could be gearing up for a public debut.

**Diagnostics would be just one more corner of healthcare undergoing Amazon disruption—the ecommerce behemoth has been quickly building up its suite of healthcare products amid the pandemic:**

- **In November 2020, the tech giant unveiled Amazon Pharmacy**—a business built off of its PillPack acquisition. Amazon Pharmacy offers online prescription fulfillment, at-home delivery of medications, and steep discounts (up to **80%**) on meds for insured and uninsured Prime members.
- **In March, Amazon kicked off its nationwide expansion of its virtual/in-person care service Amazon Care.** Amazon Care launched in September 2019 to select workers in Seattle, expanded to all Amazon employees in Washington state this September.
- **It’s also made other significant moves in the wearables, home health, and healthcare voice assistant spaces.** Earlier in March, it founded Moving Health Home, a hospital-at-home coalition, with the likes of **Amwell, Dispatch Health**, and two major US health systems; in December 2020, it launched its own wearable, **Amazon Halo**; and in March 2020, its HIPAA-eligible voice assistant, **Alexa**, launched a feature that allows users to ask questions about 1,500 of the most widely prescribed drugs in the US.

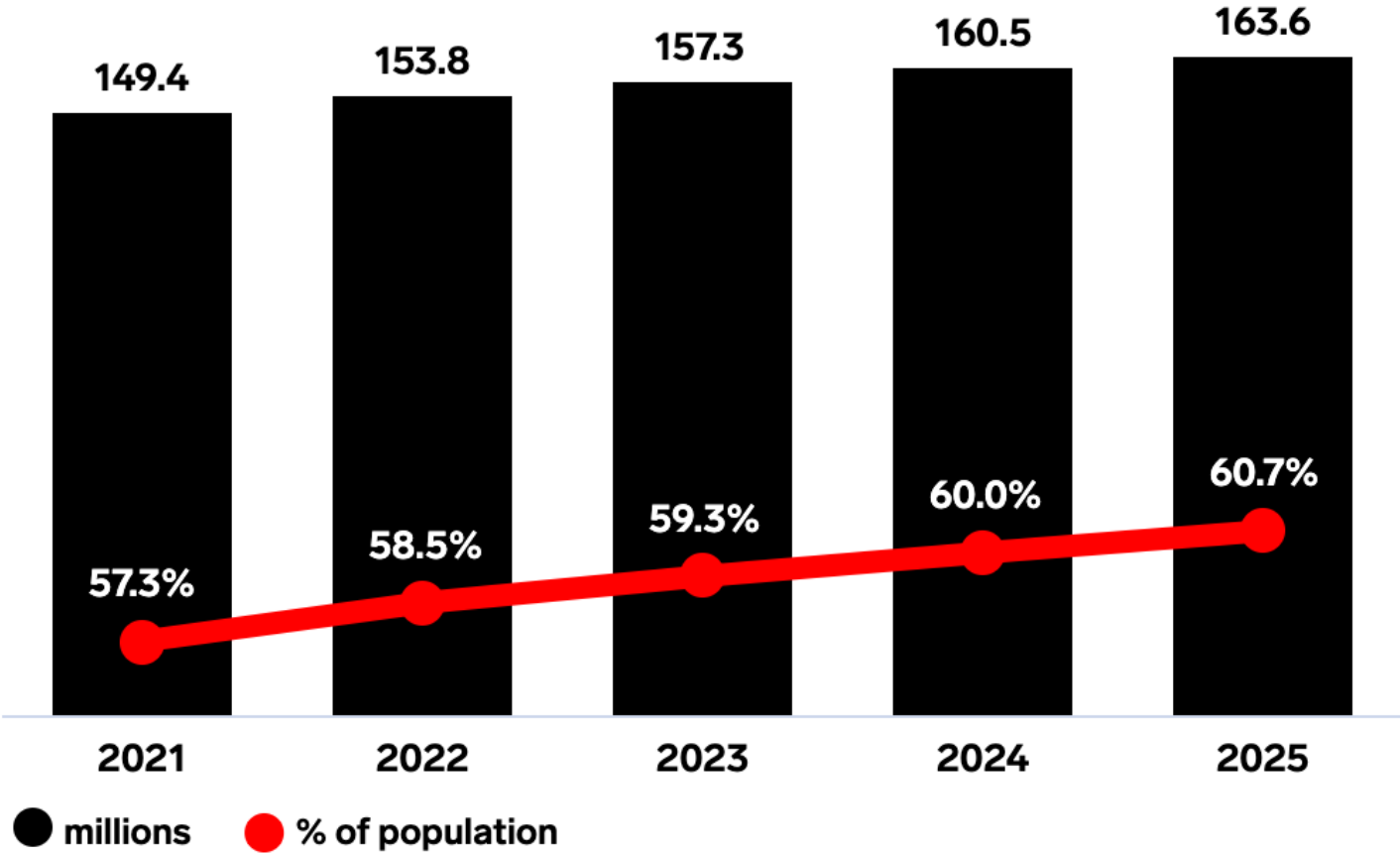
**An at-home diagnostics business could crystallize Amazon’s future as an all-in-one digital health powerhouse:**

- **An at-home diagnostics service would nicely complement Amazon's virtual healthcare model.** For example, a consumer could have a telehealth visit via Amazon Care and then have necessary medical tests done remotely via an at-home diagnostics service, and then necessary medications could be prescribed and delivered through Amazon Pharmacy. This means Amazon would have little need to outsource healthcare services, and these synergies would bolster its own businesses.
- **Consumers are more willing than ever to take at-home medical tests—so it makes sense for Amazon to strike this market while it’s hot.** 41% of US individuals say they’re now more comfortable than ever using at-home diagnostic tests thanks to the pandemic.
- **And Amazon’s Prime service gives it a massive loyal user base it can lure over to any of its new healthcare products (an attractive proposition for any of Amazon’s potential partners, too).** Amazon Prime users make up **57.3%** of the US population in 2021, and that’s expected

to rise to over 60% by 2025, [according to](#) our forecasts—which means there’s a growing market opportunity for Amazon to capture its Prime users as its healthcare consumers.

# Amazon Prime Users

US, 2021-2025



Source: eMarketer, February 2021

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