

Amazon tries retail telehealth with its new Amazon Clinic

Article

The news: As [we predicted](#), Amazon launched **Amazon Clinic**, a **direct-to-consumer (D2C) telehealth clinic**, equipped to treat common ailments like acne, dandruff, and hypertension.

How Amazon Clinic works: It's a message-based service available to adults ages 18 to 64 who live in one of the 32 states the clinic can operate in. More states will be added in the future, Amazon promises.

- Users do not have to be Prime members to access the service and can use their Amazon Pharmacy profile rather than create a new one.
- Customers select a condition on the Amazon Clinic site, then choose a provider from either **SteadyMD** or **HealthTap**, two telehealth providers with operations in all 50 states.
- They fill out a short questionnaire on their condition, symptoms, and medical history and **pay a flat fee** upfront. Prices vary by condition.
- A licensed clinician—either a doctor or nurse practitioner—reviews the information and provides a treatment plan via text and a prescription, if appropriate.
- Prescriptions can be filled electronically at any pharmacy, but Amazon obviously hopes patients will choose their online service and its Prime members get free 2-day delivery.
- Patients can continue to message their provider about their condition or treatment for up to two weeks after the initial contact.

But: A lot of services aren't included, such as ordering lab tests or other diagnostic procedures. Clinicians won't switch a patient's prescription medication or change the dosage for patients with more serious conditions like hypothyroidism and high blood pressure.

- And for those more serious conditions, some lab tests may be required before a treatment is provided.
- Amazon Clinic doesn't take insurance, including Medicare and Medicaid.

The challenge: Although Amazon has a massive consumer base, other D2C providers like **Hims & Hers**, **Thirty Madison**, and **Ro** already offer telehealth visits, personalized treatment plans, and prescriptions for many of the same conditions Amazon Clinic covers.

- Their telehealth plans include video visits and ongoing care via messaging, calls, or video chats.
- Lab work can be ordered from third-party providers.
- Subscription plans like Hims & Hers' keep customers around longer.

Our take: Amazon's approach to healthcare has been to either build (i.e., Amazon Care) or buy (PillPack, One Medical) services. It also isn't afraid to change course, as it did abruptly in August when it announced [Amazon Care's closure](#).

With Amazon Clinic, we expect more services and features will be added, like video visits and diagnostic tests, if consumer uptake is healthy. Amazon could even roll out its own line of diagnostic tests, either from its [moonshot lab](#) known as **Grand Challenge or from a white-label company like **Imaware** or **ixlayer**.**

Methods US Telehealth Users Have Used to Conduct Scheduled Medical Visits Virtually, by Method Type and Generation, Oct 2021

% of respondents in each group

| | Via video | Via audio/ phone call | Via digital chat | Via interactive text or other secure messaging | Other |
|----------------------|-----------|-----------------------------|---------------------|---|-------|
| Gen Z (18-24) | 59% | 59% | 33% | 20% | 1% |
| Millennials (25-40) | 68% | 55% | 35% | 22% | 0% |
| Gen X (41-56) | 62% | 49% | 20% | 14% | 1% |
| Baby boomers (57-75) | 50% | 55% | 15% | 9% | 3% |

Note: n=1,519

Source: Insider Intelligence, "US Telehealth Trends 2022," Jan 2022

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