Dynamic Chiropractic



HEALTH CARE / PUBLIC HEALTH

Amazon Chiropractic?

Donald M. Petersen Jr., BS, HCD(hc), FICC(h), Publisher

Amazon recently announced a service that allows existing Amazon Prime members to purchase its One Medical service for only \$99 per year or \$9 per month. Up to five family members can be added for an additional \$6 per month or \$66 annually per person. According to the webpage:

The new One Medical membership covers unlimited access to 24/7 on-demand virtual care, including video chats with licensed providers within minutes and an easy in-app "Treat Me Now" feature that lets you get fast care for common concerns such as cold and flu, skin issues, allergies, urinary tract infections, and more. Virtual care is available nationally, and members don't incur any additional costs for on-demand virtual care services – it's all covered by the membership. And, One Medical's app makes it easy for members to navigate care and stay on top of their health journeys – from prescription management, secure messaging with providers, follow-up action items after appointments, and more.¹

This is yet another step in Amazon's ambitious effort to get its share of the health care market, as discussed in this column less than a year ago.² This is a campaign that began in 2020 with Amazon Pharmacy offering discounted prescriptions through the mail. Early last year, Amazon's RxPass offered

Prime members 50 generic drugs for an additional \$5 per month.³ Last August, Amazon Pharmacy began automatically applying manufacturer-sponsored coupons to more than 15 of the most popular insulin and diabetes drugs. It's not hard to see the virtual self-dealing in the combination of One Medical and RxPass.

Amazon bought One Medical for \$3.9 billion in mid-2022. At that time, One Medical had 188 offices in 29 markets serving 767,000 members. The number of clinics and markets has continued to grow. A year earlier, One Medical bought Iora Health for \$2.1 billion. Iora Health focuses on Medicare Advantage patients.⁴

As Amazon continues its march toward more self-service-oriented care, other trends are moving in concert with its efforts. The number of vaccines that can be administered by a pharmacist has grown to include not just flu and COVID, but also MMR, polio and at least seven others; all without any oversight by a health care provider.

Most recently, the U.S. Food and Drug Administration has accepted for review an application by AstraZeneca to launch FluMist, "the first flu vaccine available to be self-administered by eligible patients or administered by caregivers." If approved, consumers will be empowered to vaccinate themselves without any oversight by anyone.

Finally, the trend in hospital and corporate acquisitions of medical physician practices and MD employment has increased significantly in the U.S. over the past few years, to the point that "74% of physicians were hospital or corporate-employed by January 2022." At that time, over half (52.1%) were employed by hospitals or health systems, with over a fifth (21.8%) employed by corporate entities.⁶

This trend is also being seen in chiropractic. A very small percentage of chiropractic practices are being purchased with the DCs becoming employees, rather than private practitioners. It is likely that we will see this trend continue in the future. Early reports suggest that DCs who participate in these arrangements see a never-ending stream of referrals as a benefit from being inside the system.

So, will Amazon (or some other ambitious big player) see an opportunity to buy large numbers of chiropractic practices? Stay tuned.

References

- 1. Amazon Introduces Compelling New Health Care Benefit for Prime Members for Only \$9 a Month (or \$99 a Year)." AboutAmazon.com.
- 2. Petersen D. "Is Amazon a Threat to Chiropractic?" Dynamic Chiropractic, May 1, 2023.
- 3. Amazon Pharmacy RxPass: https://pharmacy.amazon.com/rxpass.
- 4. Landi H. "Amazon Scoops up Primary Care Company One Medical in Deal Valued at \$3.9B." Fierce Healthcare, July 21, 2022.
- 5. "US Food and Drug Administration Accepts for Review AstraZeneca's Supplemental Biologics License Application for Self-Administration of FluMist Quadrivalent." AstraZeneca Press Release, Oct. 24, 2023.
- 6. COVID-19's Impact On Acquisitions of Physician Practices and Physician Employment 2019-2021. Physicians Advocacy Institute, April 2022.

MARCH 2024