

Amazon closes \$3.9B buyout of health company One Medical

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The Amazon DTW1 fulfillment center is shown in Romulus, Mich., April 1, 2020. Amazon has closed its \$3.9 billion acquisition of the primary care organization One Medical, Wednesday, Feb. 22, 2023. The health company runs a membership-based service offers virtual care as well as in-person visits. Credit: AP Photo/Paul Sancya, File

Amazon said Wednesday it has closed its \$3.9 billion acquisition of the primary care organization One Medical.

The e-commerce giant has said the buyout, which was announced in July, is a key component of its growing health care business, which includes its online drugstore Amazon Pharmacy and a patient to doctor messaging service called Amazon Clinic.

One Medical, which was owned by San Francisco-based 1Life Healthcare Inc, has about 815,000 members and 214 medical offices in more than 20 markets. Its membership-based service offers virtual care as well as in-person visits.

The two companies said Wednesday that for the first year, membership will be available to new U.S. customers for \$144, a 28% discount intended to lure new customers.

Anti-monopoly groups have been calling on the Federal Trade Commission to block Amazon's purchase of the company, arguing it would endanger patient privacy and give the online retailer more dominance in the marketplace.

Last September, both One Medical and Amazon received a request for additional information from the FTC in connection with a review of the merger. FTC spokesperson Peter Kaplan said the agency won't bring forth a lawsuit to block the merger. But it's not ruling out any challenges in the future.

"The FTC's investigation of Amazon's acquisition of One Medical continues," Kaplan said in a statement. "The commission will continue to look at possible harms to competition created by this merger as well as possible harms to consumers that may result from Amazon's control and use of sensitive consumer health information held by One Medical."

The One Medical purchase is the first acquisition made under Amazon CEO Andy Jassy, who took over from founder Jeff Bezos in 2021 and

sees health care as a growth opportunity for the company.

"Customers want and deserve better, and that's what One Medical has been working and innovating on for more than a decade. Together, we believe we can make the health care experience easier, faster, more personal, and more convenient for everyone," Jassy said in a statement.

The FTC is also reviewing Amazon's \$1.65 billion planned purchase of iRobot, which was announced last August.

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