

Walmart Enters Health Care

Written by Steve Marr
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Walmart, known for a diversity of merchandise at low cost, is entering the health care field in a significant way. In a few select stores a wide variety of health care products such as dental and medical services will be available. Here's a list of some services:

- Primary care
- Dental
- Counseling
- Labs and X-ray
- Health screening
- Optometry
- Hearing
- Fitness and nutrition
- Health insurance education and enrollment

The link to the Walmart site identifying these services is here: <https://www.walmart.com/cp/car-e-clinics/1224932>

Another field Walmart plans to enter is Veterinary services.

I can see at least two strategic reasons for Walmart to take this step. First, it will generate new business. Brick and mortar retail stores are struggling against online sellers. Generating more income from a new line of business, when done effectively, will be a plus.

Second someone coming into a Walmart for medical services won't need to make another stop to get a prescription filled or purchase over-the-counter medication. They simply walk to the appropriate aisle and pick it up before they return home. While they wait for a prescription to be filled, they are likely to take time for shopping and buy additional merchandise.

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Walmart is in a major battle with Amazon for market share. What Walmart proposes is something Amazon can't do.

Walmart will price these services low which will appeal to those without insurance, with high deductibles, or find the transparent pricing attractive. Furthermore, people without insurance who simply can't obtain medical care unless it's an emergency, may see this is an attractive option. For example, I saw that a dental exam including X-rays was \$25 and teeth cleaning started at \$25 extra. This is a lot less than my dentist charges.

When a customer makes an appointment, they are told how much the service will cost so there are no surprises. My regular health care coverage takes care of 100% of my medical bills except for a modest deductible. My insurance takes a high medical bill and cuts it down, makes the payment and ends the financial transaction for me. I don't have dental coverage so I'm far more involved in what treatments cost and what options I have. I do my research to make sure I'm getting good value for my money before I sit back in the chair.

A key point to remember is the way the delivery of medical services has changed substantially over time. Many people, particularly the younger set, don't have a relationship with a physician. They go to urgent care facilities or the emergency room when necessary. Walmart's medical options will seem quite attractive for the treatment of many ailments. The full press release is available here: <https://bit.ly/2kwoSUx>

King Solomon wrote, "There is a time for everything, and a season for every activity under the heavens." (Ecclesiastes 3:1, NIV) For many families the cost of medical care is simply too expensive. Even if you are not interested in going to Walmart for medical services, this price competition will grab a share of the market and force other providers to be more competitive with pricing. I sent this article as a courtesy to my dentist and asked if they were concerned about this type of competition. Their short answer was no because their customers would never go to Walmart for dental work. I'm not so sure. If I could save \$500 on a crown, I might take the offer myself.