



Date: December 14th, 2022

To: Oregon Health Authority

From: Athena Coalition

Re: Public Comment on 005 Amazon-One Medical Transaction

We urge a thorough review of the proposed Amazon acquisition of primary health care provider One Medical, which operates five health care facilities in Oregon and 182 facilities across the United States.

The acquisition of One Medical by Amazon could negatively impact the healthcare system of Oregon and is likely to undermine the shared goals of greater access, equity, affordability, and quality of care. We are specifically concerned that the merger is likely to result in unfair and anticompetitive practices, degrade the quality of care by undermining the working conditions and rights of health care workers, and adversely impact patient privacy and safety.

The merger threatens to give Amazon an unfair advantage in Oregon's healthcare system.

Although Amazon would initially only operate five facilities in Oregon, there is reason to be concerned that it will leverage its reach to gain unfair competitive advantage in the healthcare industry. Amazon has a history of tying services to Prime membership, including: free shipping, Grubhub, Amazon Pay, and membership on its video platform. It is estimated that half of the U.S. population is enrolled in Amazon Prime.¹

By bundling services, Amazon can leverage its online retail dominance and its vast advertising and data collection to target customers of health care products for One Medical services. Similarly, it could also use this data to predict and siphon off the most profitable patients and customers, undermining broad community health.

Amazon may misuse patients' health data.

Amazon gathers an unprecedented volume of data from customers, potential customers, vendors on the marketplace, and people near smart home devices. Data is collected on the marketplace, through Alexa voice assistant, Kindle, Audible, Prime Video, Ring, Halo band and other services. Senator Amy Klobuchar sent a letter to Health and Human Services Secretary Alex Azar in 2020, citing privacy concerns with the level of data collected by Amazon's Halo band.² The same Senator, who is chair of the Judiciary Antitrust Subcommittee, sent a letter to the Federal Trade Commission earlier this year citing concerns over Amazon's acquisition of One Medical and implications of "the accumulation of highly sensitive personal health data in the hands of an already data-intensive company."³

¹ <https://www.pymnts.com/news/retail/2022/166m-us-consumers-are-amazon-prime-members/>

² <https://www.klobuchar.senate.gov/public/index.cfm/2020/12/following-privacy-concerns-surrounding-amazon-halo-klobuchar-urges-administration-to-take-action-to-protect-personal-health-data>

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<https://www.klobuchar.senate.gov/public/index.cfm/2022/7/klobuchar-urges-federal-trade-commission-to-investigate-amazon-s-proposed-acquisition-of-one-medical>



Moreover, Amazon has a poor track record on data privacy and security. In 2020, a security flaw allowed people to hack into Ring devices to monitor families inside their own homes.⁴ And in 2022, an investigation found that Amazon's loose security practices allowed fraudulent vendors access to internal data.⁵

Amazon has misused its access to data in order to increase profits in the past. In 2020, Congress investigated Amazon's use of marketplace data to gain advantage over third party vendors that sell on the marketplace. Earlier this year, Amazon was referred to the Department of Justice for lying to Congress about its misuse of data collected from smaller vendors on the Amazon marketplace.⁶

Similarly, across Amazon's warehousing and logistics network, Amazon collects data about every worker at every minute, and it uses this data to discipline and fire people. Leaked documents show that Amazon uses data collected at the workplace to monitor for union activity,⁷ and workers allege that Amazon uses its tracking system to find reasons to retaliate against workers who engage in protected concerted activity for better conditions.⁸

The merger may exacerbate health care inequalities.

One Medical caters to wealthier patients who can afford the subscription fee and have access to technology. The Amazon-One Medical merger may broaden the current stratification between those who can access quality primary care and those who only seek emergency medical care. Primary care practices may have to service more and more patients whose insurance coverage pays lower rates, who do not work white collar jobs, and who may require more complex and ongoing care. The ultimate concern is that Amazon's merger with One Medical would widen the disparities in care between those with means or employer-provided healthcare and those who do not, such as the poor and the elderly.⁹

The merger may undermine the quality of healthcare by eroding working conditions.

Much of the experience of quality care comes from one's care professionals.¹⁰ Within warehousing and logistics, Amazon forces an unsafe pace of work through surveillance, automated management, and threat of termination. These inhumane working conditions result in the highest injury rate¹¹ in the sector

⁴ <https://www.nytimes.com/2019/12/15/us/Hacked-ring-home-security-cameras.html>

⁵ <https://www.wsj.com/articles/amazon-investigates-employees-leaking-data-for-bribes-1537106401>

⁶ <https://www.cnn.com/2022/03/09/tech/amazon-house-panel-justice-department/index.html>

⁷ <https://www.theverge.com/2020/4/20/21228324/amazon-whole-foods-unionization-heat-map-union>

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<https://www.vice.com/en/article/xg8nvq/amazon-warehouse-workers-in-minnesota-walk-off-the-job-protest-alleged-retaliation>

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<https://www.statnews.com/2022/07/23/deal-between-amazon-and-one-medical-deal-has-massive-implications-for-the-future-of-primary-care/>

¹⁰ <https://www.nytimes.com/2021/02/25/well/live/narrative-medicine.html>

¹¹ <https://thesoc.org/what-we-do/the-injury-machine-how-amazons-production-system-hurts-workers/>



and 150% turnover.¹² In November of 2021, the Washington State Department of Labor and Industry cited the company for violating federal safety laws.¹³

This year, Washington State OSHA found that Amazon was “willfully violating” the law by knowingly creating unsafe working conditions for people working in warehouses.¹⁴ The Department of Justice and OSHA are currently investigating Amazon for maintaining dangerous working conditions.¹⁵

Additionally, Amazon does not have a track record of providing high quality care to its own logistics employees. OSHA has investigated Amcare, the health services provided within warehouses, in response to repeated failure to provide adequate medical care to injured warehouse employees.¹⁶

Amazon also has a history of retaliating against workers that speak out about health and safety concerns. In 2020, the National Labor Relations Board issued a complaint against Amazon for illegally firing a worker in Staten Island who spoke up about health and safety conditions in the warehouse during the pandemic.¹⁷ A federal judge later issued an injunction against Amazon, instructing the company to stop retaliating against workers for legally protected activity.¹⁸

Amazon’s acquisition of One Medical will not only impact working conditions in One Medical facilities in Oregon, but it risks lowering standards across the health care system. In sectors where Amazon has expanded, we see downward pressure on working standards, including in grocery, logistics, and warehousing sectors.

Conclusion

We urge all of you to exercise your powers to give this merger the intensive scrutiny it deserves — particularly given the unprecedented economic power and scale of Amazon, the potential consequences for patient data privacy, and the relationship between working conditions and quality of care.

We believe a comprehensive investigation is necessary to weigh these risks and determine if the deal will improve health equity, lower consumer costs, increased access, and enable better care.

Given the risks, this merger should not be permitted to proceed unless and until strong public interest protections are imposed that will demonstrably address all of those grave dangers.

¹² <https://www.nytimes.com/interactive/2021/06/15/us/amazon-workers.html>

¹³

<https://www.documentcloud.org/documents/21174552-amazon-citation-317964648#document/p4/a2072607>

¹⁴

<https://www.reuters.com/legal/transactional/wash-agency-says-amazon-willfully-violated-safety-laws-warehouse-2022-03-21/>

¹⁵ <https://news.bloomberglaw.com/safety/amazon-safety-inspections-likely-part-of-wider-criminal-inquiry-5>

¹⁶ <https://theintercept.com/2019/12/02/amazon-warehouse-workers-safety-cyber-monday/>

¹⁷

<https://www.theguardian.com/technology/2020/dec/17/amazon-fired-warehouse-worker-nlrp-gerald-bryson>

¹⁸

<https://www.vice.com/en/article/qjkmgp/federal-judge-orders-amazon-to-stop-firing-people-for-organizing>



Thank you for the opportunity to provide comment on this matter.

Sincerely,
Athena Coalition

The Athena coalition is made up of 50+ organizations working together to break the dangerous stranglehold of Amazon over our democracy, economy, and planet.