

Drug drops: Amazon's One Medical offices to feature pharmacy kiosks

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Practice management

Amazon has announced that, in selected cities, its One Medical offices will soon have Amazon Pharmacy kiosks to dispense its providers' prescriptions. It marks an intriguing new model for provider-pharmacy cooperation, though the situation may be difficult for other companies or even Amazon to replicate elsewhere.

Amazon issued a press release and customer guidance on Oct. 8 saying that "after a provider writes a prescription, patients can choose to have it sent to Amazon Pharmacy for in-office kiosk pickup. Using their mobile phone to check out in the Amazon app, medications are typically ready in minutes — with no separate trip to the pharmacy required."

A guidance FAQ says that the kiosks are currently "available for patients who receive a prescription during their in-person appointment at participating One Medical clinics in the Los Angeles area."

Patients sign in via a QR code and may interact with a live pharmacist from Amazon Pharmacy via "secure video or phone consultation." The dispensing is performed mechanically, as with a vending machine.

Amazon acquired One Medical, a concierge/hybrid medical provider chain, in 2022. In June 2025, Amazon spun some of its health offerings into different entities, including Amazon Pharmacy, which is perhaps best known for its "RxPass" program that lets subscribers get unlimited generics for \$5 a month.

Notwithstanding the kiosks' security features, some drugs, such as controlled substances, will not be available through them.

Could you do it?

Amazon has not publicly discussed any specific legal or regulatory arrangements it has made to allow its medical services and pharmacy services to operate in a single location, and has not responded to a *Part B News* query at press time.

Machines that dispense drugs are not new, though heretofore only pharmacists and providers interacted with them: J. Malcolm DeVoy, a partner with Holland & Hart in Las Vegas and Reno, Nev., notes that within his own state "there are self-dispensing mechanisms for surgery centers and other facilities that can measure out and dispense medication, though these have to be approved as part of their licensure."

And provider office-pharmacy combos are a known phenomenon, though not common among independent practices. While the federal Stark Law prohibits most apparent self-referrals in the world of medicine, its in-office ancillary services exception permits pharmacies to coexist with provider offices in specific circumstances ([PBN 12/11/17](#)). Also, as Keith Lefkowitz, a health care attorney with Hendershot Cowart in Houston, notes, Stark only applies when federal health care programs are involved. (Though One Medical charges membership fees, it also works with some Medicare Advantage plans.) But states may have "analogs" to Stark Law, Lefkowitz adds, which may have stricter standards.

Other state laws could also interfere with such an arrangement. Lefkowitz says some states, including California, prohibit the corporate practice of medicine (CPOM); as Amazon is owned by non-physicians, Lefkowitz thinks it's possible "that Amazon's One Medical involves an MSO [medical services organization] set-up, where Amazon manages a medical practice. If the medical practice does own the pharmacy, the arrangement would have to comply with applicable federal and state Stark exception for in-office ancillary services."

DeVoy notes that Amazon's arrangement currently is limited to California, which regulates differently from his own state and others.

"In Nevada generally physicians can't own a pharmacy," DeVoy says. "It would have to be some kind of sublease. In fact, physicians cannot be owners of a pharmacy licensed in Nevada, because the legislature does not want a provider to have an ownership interest that would incentivize self-referral."

DeVoy thinks that the California-only rollout may be Amazon testing the waters for a wider rollout.

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“California is a very highly regulated [medical] market, and One Medical has a lot of eyes on them at the federal level,” he says, “but it’s also a fairly responsive, informed and thoughtful regulatory environment that would probably be willing to engage with pharmacy innovation such as distribution through kiosks, because of how important the technology industry is to that economy.”

Apart from the legal concerns, there are also financial and logistical issues connected with adding pharmacy services, cautions Emma Alves, an attorney with Alves Law in Toronto, especially with such a unique delivery system: “The medical practice takes on risks for liability that comes with pharmaceutical inventory management such as security and spoilage. There is a large capital investment that is required in setting up the structure of the kiosk, the supply of inventories, and the required electronic integration systems.”

“We’ll see how this works from state to state,” DeVoy adds. It could be that Amazon’s scale and scope of business entities makes this an easier and more profitable lift than it would be for other medical organizations.

Resources

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