



Amazon offers low-cost Prime memberships to Medicaid recipients

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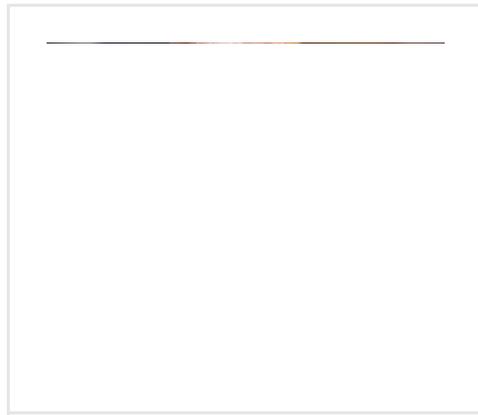


White semi truck with a black-and-blue Amazon Prime logo on the trailer.

Amazon

SAN FRANCISCO — Amazon is broadening its reach to lower-income customers with the addition of an almost 50% discount on Prime memberships for people on Medicaid, the federal public health insurance program for the poor.

Last year Amazon made the same discount available to people receiving government food benefits, once known as food stamps.



Beginning Wednesday, qualifying recipients of Medicaid will be eligible for a discounted Prime membership of \$5.99 per month, as opposed to the normal rate of \$12.99 a month. No annual commitment is required and customers can get the discount for up to four years.

On a yearly basis, the discount is \$27 cheaper than the regular annual Prime rate of \$99. Customers can also sign up for a free 30-day trial of the service.

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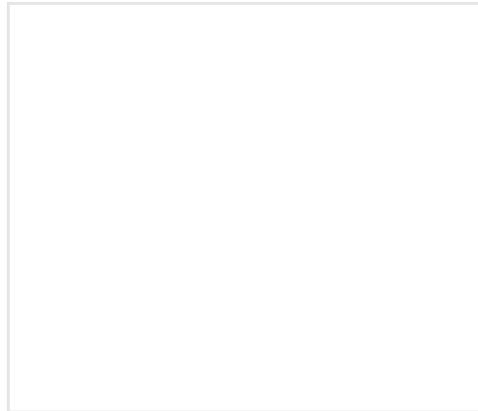
It's part of a concerted effort on the part of the Seattle e-tailing giant to gain more market share among low-income consumers and those without access to traditional banking and credit.

It represents a market Amazon can expand. According to data from Piper Jaffray, last year 82% of U.S. households with incomes of more than \$112,000 a year were already Prime members. For households with incomes between \$21,000 and \$41,000, the brokerage estimated 52% were Prime members.

Maximum income levels for Medicaid eligibility vary by state and situation but in 2017 were about \$28,000 for a family of three, according to the [Kaiser Foundation](#).

Prime subscribers spend a lot more on Amazon — \$1,700 per year on average — compared to about \$700 for non-Prime members, according to Consumer Intelligence Research Partners.

Amazon is clear that it's making this move for business reasons, not for altruism, but that doesn't mean it won't help people, said Avi Greengart, an industry analyst with GlobalData, a market research firm.



"The ability to order things online and have them shipped directly to your door within a quick time frame, people in higher earning demographics have long seen this as a convenience that changes the way they shop. People that this opportunity are targeting are going to get that chance for the first time — and they may actually need it more," he said.

It also allows Amazon to go head-to-head with Walmart for a less-affluent market, though Amazon does not describe it that way.

"This is just about our customers and our members and giving them the best of Amazon with an incredible selection of benefits. We're really customer-focused and not competitor-focused," said Aaron Perrine, program leader for Amazon's Prime Lifestages group.

That said, "it's certainly the case that we're hoping to create some lifetime Prime members here," he said.

Amazon has also been working to increase its reach to those without access to financial services. People without bank accounts, the "unbanked," made up about 15% of U.S. consumers in 2016, according to research by the Pew Charitable Trusts. The majority have household incomes under \$25,000 a year.

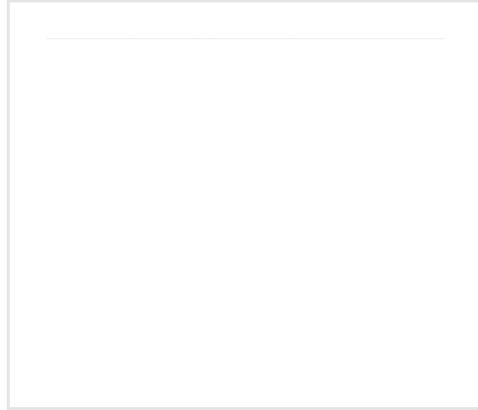
While they might not have access to a computer, almost 60% have a smartphone, making online purchases possible.

Amazon has also been creating systems for those without credit or even bank accounts to buy on the site. This is a boon both for low-income Americans and also for Millennials and younger Americans, who are less likely to have credit cards.

In November the company launched a program where people could add cash to their Amazon balance at participating convenience, grocery and drug stores, another way to bring those without credit cards into the Amazon fold.

On Monday a report in *The Wall Street Journal* suggested Amazon was considering a debit-card-like program for those without access to credit cards.

Half of Millennials can't qualify for a credit card, "so you need to come up with an alternative payment method," said David Robertson, publisher of The Nilson Report, a newsletter on the payment industry.



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Meghan Markle charms Birmingham with hugs and a J. Crew coat

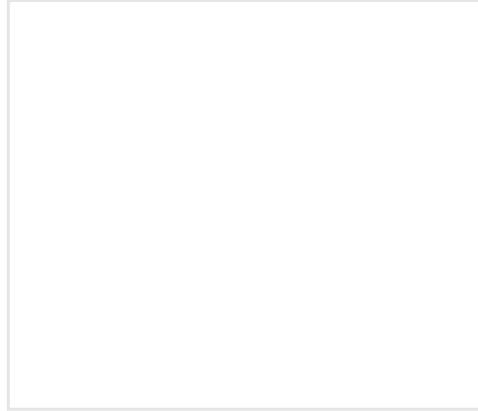
Prince Harry, Meghan Markle charm Birmingham

Off to Birmingham on [International Women's Day](#) they go!

Prince Harry and Meghan Markle arrived in the English city Thursday to meet its residents and learn

more about local projects for kids.

The philanthropy-minded couple, set to [wed in May](#), visited Millennium Point, a destination that provides workspace for educational and STEM-related groups.



While greeting the crowd the pair looked ready to charm.

Markle appeared to make one young person's day with a tight embrace.

Prince Harry smiles as Meghan Markle hugs a young member of the crowd.
Samir Hussein/WireImage

[People magazine](#) identifies the child as Sophia Richards. The outlet also reports that when Harry learned she wanted to be an actress, he led her to meet his wife-to-be.

“Meghan told me that I can achieve whatever I want to achieve. And Meghan said she would like to see me on TV when I become an actress,” Richards told the magazine. “It was a dream come true. I will never forget this day.”

Breaking cuteness meters in his own right, Harry, [a known dog canoodler](#), stopped to rub the chin of a chestnut pup.

Thank you to everyone (dogs included!) for the warm welcome to Birmingham this morning.
pic.twitter.com/f6E3gbGfiP

— Kensington Palace (@KensingtonRoyal) [March 8, 2018](#)

Yes, their visit was chockablock with grace and style. For the trip, Markle looked chic, clad in a wool [J. Crew coat](#) that unfortunately is sold out. She paired the two-tone outerwear with a cream, knit turtleneck from AllSaints, skinny T by Alexander Wang cropped pants, pumps and an Altuzarra handbag.

Meghan Markle's #OOTD.
Chris Jackson/Getty Images

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Prince Harry and Meghan Markle's fairy-tale romance

The newly-engaged Prince Harry and Meghan Markle ventured on their first official engagement in Nottingham, England on Dec. 1, 2017.

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