

High-profile health-care venture backed by Amazon, JPMorgan and Berkshire Hathaway shuttered

The start-up, which promised to overhaul health care by reining in costs and improving outcomes, will shut down next month with little to show for its efforts.

[Jay Greene](#)



Amazon CEO Jeff Bezos gives an update on his private Blue Origin space company. Bezos's Amazon, along with JPMorgan Chase and Berkshire Hathaway, backed the health-care start-up Haven, which will shut down next month. (Jonathan Newton/The Washington Post)

SEATTLE — An ambitious effort by three of America's most prominent companies and their high-powered executives to overhaul health care in the

United States will shut down next month with little to show for it.

Haven, created two years ago by Amazon, JPMorgan Chase and Berkshire Hathaway to address soaring health-care costs and improve patient outcomes, announced in [a terse statement](#) on its website Monday that it will shutter.

"Moving forward, Amazon, Berkshire Hathaway, and JPMorgan Chase & Co. will leverage these insights and continue to collaborate informally to design programs tailored to address the specific needs of their own employee populations," the company wrote. "Haven will end its independent operations at the end of February 2021."

The Boston-based company has 57 employees.

[*Amazon, Berkshire Hathaway and JP Morgan Chase join forces to tackle employees' health-care costs*](#)

It's a stark shift from the ambitious announcement of [the group's creation three years ago](#) by Amazon's Jeff Bezos, JPMorgan's Jamie Dimon and Berkshire's Warren Buffett. (Bezos owns The Washington Post.)

"The ballooning costs of healthcare act as a hungry tapeworm on the American economy," Buffett said in a statement at the time. "Our group does not come to this problem with answers. But we also do not accept it as inevitable."

Haven demonstrated plenty of ambition when it debuted in 2018. At the time, the three prominent executives put their names behind the effort, garnering massive media coverage for their efforts to address one of the most intractable challenges in corporate America. Reducing costs was a primary objective.

"Our nation's health-care costs are essentially twice as much per person versus most other developed nations," Dimon said at the time.

Health-care spending increased by [4.6 percent in 2019](#), after growing 4.7 percent in 2018, [according to an analysis published in Health Affairs](#), a health-policy journal. The nation spent \$3.8 trillion on health care in 2019, accounting for 17.7 percent of the nation's gross domestic product, compared with 17.6 percent in 2018.

The company also tapped [health luminary Atul Gawande](#), a practicing surgeon at Brigham and Women's Hospital in Boston and a writer for the New Yorker magazine, as its chief executive in 2018. At the time, Gawande said that "the backing of these remarkable organizations" provided the opportunity to "incubate better models of care for all."

[*Atul Gawande named to head cost-cutting health-care venture from Amazon, Berkshire Hathaway and JPMorgan Chase*](#)

Gawande stepped away from Haven last spring. Last month, President-elect Joe Biden named Gawande to his [coronavirus](#) advisory board.

JPMorgan declined to say how much it spent on Haven, except to note that the costs were "immaterial," spokesman Joseph Evangelisti said via email. In a letter to employees, Dimon pledged to build on Haven's accomplishments, even though he didn't specifically detail them.

"Haven worked best as an incubator of ideas, a place to pilot, test and learn — and a way to share best practices across our companies," Dimon wrote. "Our learnings have been invaluable, and I look forward to working with all of you as we seek to make healthcare better, simpler and more affordable for all."

Haven's accomplishments remain unclear, and its struggles illustrate the challenges endemic to improving health care delivery in the United States, said Kate Bundorf, a professor of health policy at Duke University.

"Health care is hard," Bundorf said. "It wasn't totally obvious to me what

exactly those three organizations working together were going to accomplish.”

At Haven’s launch, Bezos said Amazon was “open-eyed about the degree of difficulty” to reduce health care costs while improving patient outcomes. With Haven’s demise, Amazon spokeswoman Jaci Anderson declined to disclose the amount the company spend on the start-up, but said it was happy with the investment.

Representatives for Berkshire didn’t immediately comment.

The three backers will “continue to collaborate informally” on health care initiatives, Haven spokeswoman Brooke Thurston said Monday.

Among the three companies, Amazon has taken several steps to develop its own health care business. In November, it debuted the Amazon Pharmacy a little more than two years after it [acquired online pharmacy PillPack](#) for \$753 million, expanding into online prescription drug sales.

Amazon has also rolled out facilities at its warehouses to [test workers](#) for the novel coronavirus.