

## **A bitter pill**

### *Medicare*

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Posted: 05/17/2007

Spend any time in Sykes Pharmacy in Kalispell, and you'll notice pharmacist Tobey Schule and his staff are on a first name basis with almost every customer, and spend at least a few minutes conversing with each one.

"That's part of the patient care, in my opinion," Schule says. "They have to know and trust you."

It's part of the reason the Montana Pharmacy Association (MPA) named Schule Montana's Pharmacist of the Year in 2006. But, as Schule noted in his May 2 testimony before the U.S. Senate Committee on Finance, despite his accolades and a growing customer base, this year could be his last.

Since the Medicare Part D prescription drug benefit took effect a year ago, Schule has seen 85 percent of his profits disappear.

"Right now, I could liquidate the inventory here, and take the money down to the broker and invest that money," Schule says, "and I would make more than by operating the business."

Part D, passed by Congress in 2003, provides prescription drug benefits to U.S. Medicare and Medicaid recipients through private health insurers.

But in the last year, Schule says insurance companies have used the leverage of having 23 million Part D users to drive down what they pay pharmacies for prescription drugs.

According to Jim Smith, executive director of MPA, "It's a buyer's market. The insurance companies... they say, 'This is what we're going to pay you. Take it or leave it.'"

Smith says Part D has been especially harmful to Montana's smaller pharmacies—a few have already closed—and acknowledges Schule's may be one of the hardest hit.

Schule's pharmacy sits within two blocks of five senior apartment buildings. It also services a local mental health center and three assisted living facilities. "He's made a real specialty out of serving very vulnerable populations," Smith says.

And because of that, most of his customers use Part D to get their prescriptions.

For now, Schule plans to stay in business and he says the Senate committee seemed to take his testimony seriously.

"I'm hopeful we're going to see some changes," he says.