agreeing with the prescribed dosage and I say medically, if someone wants more before the appropriate term has elapsed, he does not get it.

In any event, even though it is a schedule IV drug from a practical standpoint as a community pharmacist it has increased the number of times I have to call the physicians to generate a new prescription.

The other impact I really cannot make a conjecture as to its cause outside of the fact that we are all trapped in the inflationary spiral, but the January 5 issue of Drug Topics, this happens to be a companion publication to Medical Economics, and it gets widely read, the two bits of literature are widely read, but the patent date has expired.

I was a member of the Pharmaceutical Reimbursement Committee to HEW's program of establishing maximum allowable costs for drug reimbursement under federally financed health care programs.

Well, propoxyphene was one of the drugs we discussed. It is a variable starting at the low end at a cost of under $15 per thousand all the way up to the January 5 price announcement from Lilly, the Darvon Compound 65 would now cost the pharmacies $80.52 per thousand.

In between there are other firms just as equally prestigeous as Eli Lilly, Parke, Davis, and Smith, Kline & French. Their products are supplied in the $24 to $25 range, not $80 and so as I perceive the problem we are talking about a drug that is not very useful and in the main since Darvon is much easier to remember I am talking about the national picture for all and Darvon is a much easier name to remember than propoxyphene—much easier.

In California legally for the past 18 months or so we have had what is euphemistically called a product selection law, even though the physician using the trade name on the prescription the pharmacist may substitute a different brand and we get into a nebulous area of the law as I understand it.

There are two messages implicit in the use of the trade name rather than the assigned name. When a physician writes Darvon, he is telling the pharmacist—or she as I do not mean to be sexist—the pharmacist is being told that the patient is to receive propoxyphene.

The second nonverbal message is that I should buy the propoxyphene from Eli Lilly & Co. That is the virtue of the trade name, but it has lost that virtue under the enactment of the product selection law.

We have another very interesting proviso in the California law since for medicaid patients, pharmacies receive reimbursement on the basis of the actual cost of the drug, plus a fee for their services. You see, there is no threat to the pharmacies.

Senator NELSON. It is a flat fee, not a percentage?

Mr. BOYNOFF. Indeed. Most of us use the same approach for the private patients and insurance patients, so there is no personal income involved in selecting a less expensive product.

The cheaper drugs are not a threat to the pharmacists' income. Historically, when it was illegal it did, and manufacturers generated a lot of antisubstitution support from pharmacists just on the basis of that, but the proviso of our law in California is that the difference in cost between the prescribed brand name drug and the nonbranded generic, if selected, must be passed through.

The difference in wholesale costs are the patients' money and I strongly feel is reasonable. So I must say those few patients receiving