Senator NELSON. This is all donated services?

Dr. MCCARRON. Yes.

Senator NELSON. But this formulary is available to all of the 2,400 physicians; is that correct?

Dr. MCCARRON. Oh, yes; and many of them have asked for personal copies. They take them home or use them in their offices.

Senator NELSON. Do you get requests for your formulary from physicians who are not on the staff and not attending physicians, but simply private physicians?

Dr. MCCARRON. We have had requests for our formulary from all parts of the country, to the point where we are having it printed next year, and we will probably sell it.

Mr. GORDON. I have several questions, Senator.

On page 12, in discussing your formulary, you say that "it has eliminated from the drug supply" the cost of "those items with little or no therapeutic effectiveness."

Can you give us some specific examples on that?

Dr. MCCARRON. Yes; I think meprobamate is a good example. We took meprobamate out of the formulary. It was a very commonly used tranquilizer and it was used as a muscle relaxant. We found no good scientific evidence that this drug did either. It had mainly a placebo effect, and we felt we were spending too much money buying meprobamate, that we had cheaper placebos, and we just took it out. Now, when we do that, we write a drug bulletin and explain to the staff what the scientific evidence is behind this decision.

Mr. GORDON. That is one of them.

Do you have a couple more, offhand?

Dr. MCCARRON. I can't think of—yes, I can think of many things. We had an ointment, Allantoin Ointment, that had been in the pharmacy forever, and the physicians in the hospital had gotten used to using it. They did not know what it was, really, because nobody had ever evaluated it. But they used it for burns. It turned out that Allantoin is a chemical that is found in the urine of maggots and maggots were found to clean wounds during World War I. Somebody discovered that the Allantoin in the maggot urine was also present in the urine of horses and dogs, and then they extracted it and chemically synthesized it, and put this into an ointment base. We started using it as an ointment for the treatment of wounds, and obviously, this had little if any therapeutic effectiveness. There are many other drugs that were much better.

Mr. GORDON. On what basis did the doctors use this in the first place?

Dr. MCCARRON. Well, for something like that, it had been in the hospital for years. It had started out when we did not have a formulary system, and people applied this to wounds. It had gotten to the point, and this is one of the things that we try to overcome, that instead of knowing what you are doing and what the drug is, you learn from somebody else that this is good for this condition.

Mr. GORDON. Are there any figures available which show how great the savings are as a result of adopting a formulary system? I don't think I have it here. Maybe I missed it, but I can't seem to find it.

Dr. MCCARRON. Now, that is very hard to say. We can give you examples on individual items.

Mr. GORDON. That would be fine, if you could.